

# Weekly Report

*the authoritative reference on Congress*

WEEK ENDING APRIL 23, 1954

VOL. XII, No. 17 -- PAGES 497 - 524

## FOREIGN TRADE

Reciprocity, Other Policies  
Facing Showdown Fights

### OF SPECIAL INTEREST :

TRADE VOTES

TRADE PRESSURES

AIRPORT AID

SPARKMAN-BATTLE

PRIMARY CONTEST

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## congressional quotes

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Instant Retaliation -- "In promoting their (the Administration's) 'new' (defense) policy as if it were a brightly adorned package of soap, they loudly proclaim that it contains an amazing, new laboratory-tested ingredient called 'IRP' (instant retaliatory power)...I did not hear...(Vice President Richard M.) Nixon advocate that we dispatch our strategic bombers to obliterate Peking or Moscow, although it is clear that Peking and Moscow share the responsibility for the Viet Minh aggression."--Rep. Melvin Price (D Ill.), April 12 House speech.

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# WAY PAGE

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Behind The Headlines. . .

## EISENHOWER'S FOREIGN TRADE POLICY

# NAVY PRES

Proposals to Lower Tariffs, Step Up

Buy American Act, Ease Money Changing

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Reduction, by not more than half in the three-year period, of tariffs on goods not now imported into this country, or brought in in limited quantities

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### FOREIGN BUTTER

"Uncle Sam had 357,000,000 pounds of butter in storage on April 7... On April 1 the Department of the Army reported that it had bought 5,344,000 pounds of butter in foreign markets, principally in Denmark, in 1953. It was for use by the Far East Command. So we shipped that foreign butter all the way around the world instead of sending some of our own surplus from the West Coast--less than one-third of the distance." --Rep. John J. Dempsey (D N.M.), April 22 newsletter.

### THE "TORY MENACE"

"The English seem hell-bent on establishing a world government... The descendants of Tories in New England are for the plan... The descendants of the Tories in the United States are great in number and...hold office everywhere -- in Congress, in the courts, in state governments -- and that is the crowd now busily engaged in building a world government." --Rep. Usher L. Burdick (R N.D.), April 15 newsletter.

### FHA PROBE

"In our investigation of the (Federal) Housing (Administration) situation...it is to be hoped that the whole procedure will be carried out with...calmness and good judgment... I trust that the sessions...will be kept open to the public...so that every interested person will have an opportunity to see and judge the facts at first hand." -- Sen. J. Allen Frear, Jr. (D Del.), April 20 newsletter.

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## Behind The Headlines. . .

# EISENHOWER'S FOREIGN TRADE POLICY

### CQ Analyzes Issues On Proposals to Lower Tariffs, Step Up

#### East-West Barter, Relax Buy American Act, Ease Money Changing

Three major controversies are developing as a result of the foreign trade program which President Eisenhower sent to the Capitol on March 30 (CQ Weekly Report, p. 414). Congressional opposition, much of it within his own party, is stirring against his recommendations:

1. To include new authority to negotiate tariff reductions, while extending for three years the Reciprocal Trade Agreements Act, due to expire June 12
2. To accept a broadening of trade between free world countries and the Soviet bloc
3. To increase executive discretionary power to exempt from the Buy American Act bidders from countries that treat U.S. bidders on a basis of equality.

#### ACT EXTENDED LAST YEAR

Last year the Reciprocal Trade Agreements Act was extended one year (CQ Almanac, Vol. IX, 1953, pp. 210-216) to permit the over-all reassessment of foreign economic policy subsequently undertaken by the Randall Commission. The main proposals made public by that Commission Jan. 23 (CQ Weekly Report 136-7) were incorporated in the President's message.

The message asked for authority to lower tariffs through "gradual and selective revision," in any of three ways:

Negotiated revision of present rates by not more than 5 per cent a year for three years

Reduction, by not more than half in the three-year period, of tariffs on goods not now imported into this country, or brought in in limited quantities

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## PERIL POINTS, ESCAPE CLAUSE

Senate Majority Leader William F. Knowland (R Calif.) said he agreed with "a good deal" of the message, but "there might be some parts which I expect Congress would revise." Speaker of the House Joseph W. Martin, Jr. (R Mass.) reserved comment on the message itself, but said it arrived in the middle of a workload such as "no other Congress ever tackled...there's got to be a stopping place some time."

Usually, party alignment at voting time has found more Democrats than Republicans in favor of reciprocal trade agreements. (See table, page 503.)

Since the war, renewals of the Act have been accompanied by amendments limiting executive action. In the 1948 renewal a Republican Congress included the "peril point" provision, under which the Tariff Commission determines, in advance of reciprocal negotiations, the point at which a lowering of the tariff would imperil domestic industry. (CQ Almanac, 1949, pp. 362-369.) That year, Republicans in a Republican Congress supported the measure: in the Senate, 47 to 1, in the House, 218 to 5. Senate Democrats also supported it, 23 to 17, though in the House the Democrats were against, 16 to 142. In 1949, a Democratic Congress removed the "peril point" provision. It was restored in the extension of the Act in 1951.

The 1951 extension also saw inclusion of the "escape clause" amendment, which provided for assessment by the Tariff Commission of the effects of imports on domestic industries. When the President receives a Commission recommendation finding injury he must either restrict the inflow of imports, or give Congress his reasons for not doing so (CQ Almanac, 1951, pp. 214-219).

### How Much Aid?

A major factor--and so far a major uncertainty--in the trade position of many foreign countries is the amount of economic aid, offshore procurement, and other dollar-producing measures which will be included in this year's U.S. foreign aid program.

On April 5, the House Foreign Affairs Committee started preliminary hearings, with testimony by Secretary of State John Foster Dulles and Mutual Security Director Harold E. Stassen. Stassen indicated that the request for funds for fiscal year 1955 would be \$3,497,700,000, slightly under the \$3,510,000,000 proposed in the Budget. This year's aid plan, he said, would be divided into seven categories:

Mutual Defense Assistance . . . . .	\$1,580,000,000
Direct Forces Support . . . . .	945,000,000
Mutual Defense Support . . . . .	223,400,000
Technical Cooperation . . . . .	131,600,000
Development Assistance . . . . .	306,400,000
Relief and Rehabilitation . . . . .	241,300,000
Other Programs . . . . .	70,000,000

By geographic areas, these funds would be allocated to:

Europe . . . . .	\$947,000,000
Near East, Africa, South Asia . . . . .	\$569,100,000
Far East and Pacific . . . . .	\$1,768,900,000
Latin America . . . . .	\$47,000,000
Non-Regional . . . . .	\$165,000,000

These figures show:

1. A marked shift in the new program away from Europe and to Asia. Proposed expenditures for the Indo-China war account for \$1,133,000,000, or a third of the total.

2. An over-all scaling down of the aid program by 42 per cent in two years. Totals, as computed by the Foreign Operations Administration: \$6,011,000,000, in fiscal 1953; \$4,726,000,000 in 1954, and the \$3,497,700,000 proposed for fiscal 1955.

### NO "ABANDONMENT"

Stassen stressed that the reduction was "not an abandonment"; it was "developed by the strength of the free world." He thought the developing situation so favorable that the "trend line can properly be now anticipated to continue downward."

In the Senate, some Members indicated a willingness to delay action on foreign aid. Knowland said April 8 that perhaps the subject should be deferred, pending outcome of the Geneva conference.

Chairman Alexander Wiley (R Wis.) of the Senate Foreign Relations Committee said "the situation in Indo-China and the situation in France both together may be very significant in determining how little or how much foreign aid will be granted."

From the minority, Sen. Mike Mansfield (D Mont.) said "I don't think there need be any rush in considering the foreign aid program. I think it would advisable to thresh things out, find out just how much unity there is among the Allies, and reappraise our policy accordingly."

On the other hand, Sen. J. William Fulbright (D Ark.) said foreign aid should not be used for bargaining purposes, but "only on the basis of what's good for the country."

## More East-West Trade?

The Administration says it is in this nation's own interest to increase trade between East and West, with certain safeguards.

The President's March 30 foreign trade message stated that "A greater exchange of peaceful goods between East and West....so far as it can be achieved without jeopardizing national security, and subject to our embargo on Communist China and North Korea, should not cause us undue concern."

Mutual Security Director Harold E. Stassen, questioned at a Feb. 4 press conference about the National Security Council's survey of east-west trade, said "We are moving to implement the new policy. Some of the highlights of it are: more strict controls on the highly strategic goods, and relaxation of controls on non-strategic goods. The approach is, what is the net advantage for the free world in a particular transaction."

The Randall Commission, in its foreign economic policy report released Jan. 23, said, with six of its 17 members dissenting, "It may well be, moreover, that more trade in goods for peaceful purposes would in itself serve to penetrate the Iron Curtain and advance the day when normal relationships with the peoples of Eastern Europe may be resumed."

### REVISION OF TRADE RULES

Russia's current offers of trade come at a time when U.S. aid to Western Europe is diminishing. The prospect of smaller supplies of dollars makes alternative sources of goods additionally attractive. The Jan. 21 "Foreign Report" published by The Economist of London notes: "The U.S. Administration, now that economic aid to its allies has tapered off, finds that its ability to wield the Battle ax (the Battle Act, passed in 1951, authorizes the President to withhold aid from nations shipping strategic goods behind the Iron Curtain) is much less effective."

Widespread feeling has favored revision of controls. Hitherto, a coordinating Committee in Paris (COCOM) through which the NATO allies keep track of goods moving beyond the Iron Curtain, has considered shipments in terms of three lists: A list of strategic goods on which there is an absolute embargo; a list of which shipment is permitted in limited quantities; and a list whose shipment is permitted if the goods received in return offer a net advantage to the West.

Stassen's trip to Europe at the end of March was to work out such a revision. Returning, he said: "Our conferences in London with representatives of the governments of the United Kingdom and France were successful and satisfactory. We reached an

agreement. That in itself is important, for in standing together there is great strength and essential security. We agreed on the principles and on the procedures through which these principles would be applied....in harmony with the Battle Act...and...in accord with the security policies of President Eisenhower's Administration. We do anticipate....an expanded trade with the Soviet Union and with the East European states in the export to them of peaceful goods in exchange for items and materials which the free world can use. The existing tight controls of trade with Communist China and North Korea will be maintained."

On April 8, Secretary of Commerce Sinclair Weeks, in his quarterly departmental report, listed seven standards by which relaxation of controls on a given commodity would be judged: Present and prospective uses in the free world and the Soviet bloc; importance to Soviet military power; scarcity in the Soviet bloc; the degree of technological know-how required to make the commodity in comparison with current Soviet technology; alternative Soviet sources of supply; relative ease of illegal diversion of the commodity to the Soviet bloc; convertibility from civilian to military uses.

How Congress will react to the shift in policy is not certain. Key Republicans commenting after testimony by Mutual Security Director Stassen at the Senate Foreign Relations Committee hearing April 9: Sen. H. Alexander Smith (R N.J.) "Why should we help Russia restore her economy?" Sen. Bourke B. Hickenlooper (R Iowa)--"Aren't we helping to relieve their own problems?"

### RUSSIAN DRIVE FOR TRADE

In recent months, the USSR's drive for foreign trade has been pushed on a world-wide basis.

The official Russian journal "Foreign Trade" recently stressed that the Russians are prepared "to extend substantially their purchases of certain types of machinery and industrial raw materials and also consumer goods," and assured the countries of Europe that they can now find "everything necessary for their economic development" in the Soviet bloc.

This is a big change from previous declarations in "Foreign Trade" that "the establishment of a monopoly in foreign trade prevents the formation of contacts between the capitalist elements still to be found in the countries of people's democracy, and international capital....At the same time the concentration of foreign trade in the hands of the State guarantees the countries of people's democracy the possibility of conducting a successful battle against the hostile foreign trade policy of the capitalist countries."

In February, when the UN Economic Commission for Asia and the Far East was in session at Kandy, Ceylon, the Soviet delegation had expressed cordiality by inviting the 12 participating countries to send delegates to Russia this fall.

#### SOVIET TRADE PACTS

So far in 1954, the USSR has completed six reciprocal trade agreements with non-Communist countries: Norway, Sweden, Belgium-Luxembourg, Finland, Afghanistan and Egypt, each accompanied by lists of goods to be exchanged. In 1953, eleven such agreements were negotiated, including France, Iran, Argentina, Greece, Italy and India.

Most striking of 1954 trade developments is the shopping list offered by Moscow to the delegation of 33 British businessmen who visited the USSR from Jan. 27-Feb. 9. Individual negotiations added to \$44.8 million in signed contracts, and \$134.4 million more in offers, covering a wide variety of goods for delivery during 1955-57. Just how many of the desired goods could be delivered, in view of allied restrictions on strategic shipments, was uncertain.

The lists attached to the trade agreements that Russia has already concluded have attracted attention alike for what they include and what they omit. Speeches by Premier Malenkov and Agriculture Minister Khrushchev, beginning last autumn, indicated an intended expansion of supplies of consumer goods in Russia. But the lists offered to the West are still heavily weighted in favor of producer goods.

Comparable interest attaches to the goods with which Russia offers to pay for Western purchases. In the past, grains, timber and coal have been the Red bloc's chief exports. But in 1953, Russian agricultural output was apparently short enough to require substitution of other commodities--Soviet grain exports were halved as compared with 1952.

#### ECONOMIC DIFFICULTY?

The major substitute has been petroleum, of which some 2½ to 3 million tons have been made available in a six-fold increase of exports.

The other Russian commodity which has recently been offered in new volume in Western Europe is gold. Sales of Soviet gold there since last fall are estimated at between \$150 and \$200 million. As a result, gold has ceased to command premium prices in Western Europe.

But in spite of the new emphasis on trade, economists question whether Russia can produce enough to pay for the goods for which contracts are now being offered. In 1953, Russian imports from the free world declined for the third consecutive year, from \$1.7 billion in 1951 to about \$1.3 billion.

Stassen said Feb. 6 that "gold sales, offers of oil, and bids for other countries' surplus materials" may indicate that Russia is experiencing "some economic difficulty." Two opposing interpretations are made of this possibility. According to one, withholding of goods by the West can exacerbate the USSR's difficulties and undermine the regime. According to the other, even greater pressure on the regime can be obtained by offering many goods now, demonstrating Western productive capacity and producing a psychological impact comparable to that of last year's food distribution to East Germans.

Recent trade relaxations are in line with the latter interpretation. But many economists and politicians who approve the present policy of increased trade at the same time question the timing of the recent developments permitting it. If Russia is as eager for trade as recent moves suggest, they say, would it not have been wise to keep the Western decision to augment trade for use as a bargaining counter at the forthcoming Geneva meeting? Economic concessions, they hold, might have increased the strength of negotiators who now are left with little bargaining power except in terms of military force.

#### Buy American Act

"The Buy American Act...should be amended to give authority to the President to exempt from the provisions of such legislation the bidders (for U.S. government procurement contracts) from other nations that treat our bidders on an equal basis with their own nationals". This recommendation of the Randall Commission was endorsed by President Eisenhower in his March 30 message on foreign trade policy.

"I agree with the Commission that it is improper policy, unbusinesslike procedure and unfair to the taxpayer for the government to pay a premium on its purchases," he said.

Previously, representatives of foreign governments and private groups like the National Foreign Trade Council and the National Council of American Importers had urged repeal; in 1953, Rep. Frank E. Smith (D Miss.) introduced a bill to repeal the Act (HR 613) with the comment, "This act is working at cross-purposes with our efforts to achieve economy in government." (CQ Weekly Report, 1953, p. 324)

The Buy American Act was passed in 1933, in the midst of depression. It requires government procurement agencies to give preference to domestic suppliers except when foreign bids are substantially lower. "Substantially" has normally been defined as 25 per cent lower. Until now the Interior Department has enforced this definition strictly, though President Eisenhower said in his foreign trade message that



"The Executive Branch is clarifying the application of these preference principles to government procedures. It will limit the price differential...to a reasonable percent...over and above whatever tariffs may apply."

For some years the Defense Department has pursued a more liberal policy, most recently under a May, 1952 revision of procurement practices, which provides for Secretarial review when the differential between foreign and domestic suppliers' bids is less than 25 per cent. (However, the Berry Amendment to the Defense Department Appropriations Act of 1953 introduced new domestic supplier preferences in procurement of food and clothing by the services.)

#### SOLD AMERICAN

Three recent instances indicate current application of the Buy American Act:

On Feb. 2, 1954, the Bureau of Reclamation of the Department of Interior announced award of a contract for transformers for the Jamestown-Fargo transmission line in the Missouri Basin to the American Elin Corporation of Austria. These transformers were normal, level-insulation models. American Elin Corp.'s bid, after application of the 25 per cent differential and adjustment for comparison, was \$531,099.50. The lowest bid from a U.S. firm was \$713,567.61.

On the same day that American Elin of Austria was awarded a contract by the Reclamation Bureau, the Bonneville Power Administration of the Department of the Interior passed over its bid of \$268,050 for a 75,000 kva (kilowatt-ampere) transformer bank in favor of a bid of \$403,650 from the domestic firm, Maloney Electric. At the same time, a bid for a 150,000 kva. bank of \$558,600 from American Elin, and one of \$634,890 from English Electric were passed over in favor of a bid of \$771,346 by Westinghouse. Reason: These transformers are a new type -- "reduced insulators level" models. In 1952, an initial order for such a type was given to American Elin, and in 1953 to English Electric, but the Bonneville Administration prefers to see results under the trial orders before letting further contracts to these firms.

On March 24, Bonneville also awarded a \$829,236 contract for tower steel for transmission towers in the Upper Willamette Valley to Bethlehem Steel, as low bidder against a bid from the American Ligurian Co., Inc., agent for a German firm. This bid was \$630,754 f.o.b. Bremen; but with the addition of \$90,028 for transportation, \$47,307 for payment of the American tariff, and \$180,196 for the 25 per cent Buy American differential, the German bid became \$948,285.

An upcoming case in the Defense Department relates to bids for governors for the hydraulic turbines at The Dalles Dam in the Portland District of the Army Engineers. The four bids are:

Achi, Ltd., Tokyo, \$1,073,522  
Costruzioni Meccaniche Riva, Milan, \$1,163,628  
Pelton Waterwheel Co., San Francisco, \$1,314,785  
Woodward Governor Co., Rockford, Ill., \$1,325,888

#### UNEMPLOYMENT PROBLEM

Rep. John F. Shelley (D Calif.) in an extension of remarks in the House on Jan. 20, said "If we were not faced with a critical unemployment problem and a prospective depression there would still be no justification for letting government contracts on domestic procurements abroad. But what can the Secretary of the Army be thinking of when he even considers sending work out of the country at this critical time? Has he not heard of the many industrial areas in the United States that have been officially classed as depressed areas with heavy unemployment? Has he not heard of the President's recent directive ordering placement of government contracts in these areas?"

The most recent completed award by the Army engineers involving the Buy American Act was for generators to be installed at the McNary Dam on the Columbia River. In early January a \$3,651,476 contract for two generators was awarded to English Electric Co., as low bidder in competition with General Electric Co., whose bid was \$4,292,701. General Electric protested the award in a letter inserted in the Congressional Record by Sen. George W. Malone (R Nev.) on Jan. 14 under the heading "Foreign Trade at the Expense of American Workmen".

General Electric said consideration should have been given to the taxes that would have been paid had an American firm received the bid, estimating that taxes paid by GE itself and its workers, suppliers and shareholders as a result of the contract would have totalled \$1,159,000, or \$96,000 more than the difference between the bids.

#### Convertibility

Since the war, because dollars and gold were scarce, other nations have had to make strictly enforced choices as to the goods for which the dollars they had were spent. Tight exchange controls have been applied by most governments to conserve scarce currencies. As barriers to trade, these controls have been much more effective than tariffs.

As a result, few currencies have been freely exchangeable for dollars. Holders of pounds, francs,

marks, lira and yen might have money to spend in their own countries, but since they could not change it into greenbacks and silver they could not buy from the United States.

Over the years, the postwar "dollar gap" has been partly filled by grant-dollars given to friendly nations by the United States. But until now, other countries have not had sufficient reserves to back the demand for dollar currency, pent up behind their exchange controls.

The limiting effects of inconvertibility have been most far-reaching with the pound sterling. Fourteen countries use sterling as their medium of international transactions. Forty per cent of the world's trade is conducted in sterling -- more than is conducted in dollars. If the pound sterling could once more become freely convertible, a great liberation of international transactions would take place.

#### "GRADUAL PROGRESS"

Recent signs indicate that major moves toward convertibility of world currencies may be in the offing:

The Randall Commission on foreign economic policy started its report with a discussion of the dollar gap, and included among its recommendations a major section on convertibility in which it said:

"The Commission...favors gradual but positive progress toward currency convertibility." It proposed greater use of the International Monetary Fund's \$3.3 billion holdings of gold and convertible currencies and standby credits or line-of-credit arrangements between foreign central banks and the Federal Reserve system.

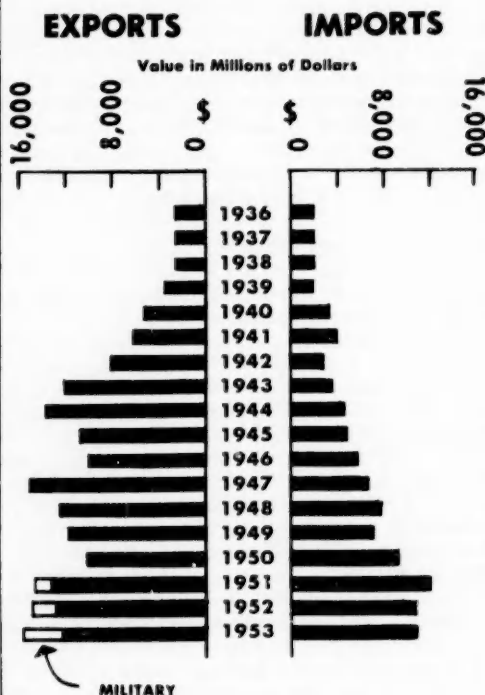
President Eisenhower's message to Congress on March 30 likewise stressed the desirability of convertibility, and noted that two meetings between ministers of the British Commonwealth already had taken place on the subject, that the United Kingdom and other European nations had discussed their aims with the United States, and that convertibility was figuring in the current renewal of the European Payments Union.

#### GOLD MARKET REOPENS

The official communique following the March 16 meeting of the Joint United-States Canadian Committee on Trade and Economic Affairs said that enlightened economic policies on the part of the United States and Canada would contribute materially to establishing and maintaining broader freedom of trade and payments throughout the world. The Joint Committee members "warmly welcomed the evidence of a desire in many countries to take decisive

## U.S. TRADE

1936 - 1953



Source: U.S. Department of Commerce

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steps toward the restoration of a broad area of convertibility, and expressed a willingness to do their part to help in making such a movement successful."

Two such "decisive steps" followed almost immediately:

After being closed for fourteen years, the London gold market reopened on March 22. Selling is unrestricted; buying is limited to residents of the sterling area who have obtained licenses from the Bank of England, and non-residents who can pay in special kinds of sterling related to holdings of U.S. or Canadian dollars.

Similarly, a considerable increase was simultaneously allowed in the freedom with which various countries can transfer their respective holdings of sterling. The "transferable account" area has been greatly broadened, and sterling from such accounts can be used for capital purposes as well as for current transactions.



# Post-War Trade Agreements Roll Calls

Here are the Senate and House roll-call votes on trade agreements from 1945 through 1953. Page references are to CQ Almanac volumes.

## Senate

### 1951

Trade Agreements Extension Act of 1951 (HR 1612). Extend to June 12, 1953, authority of President to enter into foreign trade agreements. Malone (R Nev.) substitute establishing a 6-member Foreign Trade Authority with power to make tariff concessions and to make periodic adjustment of import duties, subject to Congressional disapproval, under a "flexible import fee" system. (5/23/51). CQ Almanac, Vol. VII, p. 259.

Rejected: For 15 (D-1 R-14)  
Against 65 (D-41 R-24)

Trade Agreements Extension Act of 1951 (HR 1612). Passage of bill. (5/23/51).

Passed: For 72 (D-38 R-34)  
Against 2 (D-0 R-2)

### 1949

Trade Agreements Extension Act of 1949 (HR 1211). Millikin (R Colo.) amendment to extend act two years from June 30, 1949, instead of three years from June 12, 1948; to retain "peril points" provision of 1948 act, and require President to deposit copies of trade agreements with House Ways and Means Committee and Senate Finance Committee. (9/15/49). Vol. V, p. 430.

Rejected: For 38 (D-3 R-35)  
Against 43 (D-43 R-0)

Lucas (D Ill.) motion to lay on table. Hill (D Ala.) motion to reconsider vote on Millikin amendment. (9/15/49).

Agreed to: For 43 (D-43 R-0)  
Against 38 (D-3 R-35)

McCarthy (R Wis.) amendment to direct President to establish import quotas on fur and fur products. (9/15/49).

Agreed to: For 43 (D-12 R-31)  
Against 40 (D-36 R-4)

McCarthy (R Wis.) motion to lay on the table Wherry (R Neb.) motion to reconsider vote on McCarthy amendment. (9/15/49).

Rejected: For 41 (D-10 R-31)  
Against 41 (D-37 R-4)

Tie vote broken by "nay" vote of Vice President.

Wherry (R Neb.) motion to reconsider vote on McCarthy (R Wis.) amendment. (9/15/49).

Agreed to: For 41 (D-37 R-4)  
Against 41 (D-10 R-31)

Vice President ruled motion "agreed to" inasmuch as he would have voted "yea".

McCarthy (R Wis.) amendment. (9/15/49).

Rejected: For 49 (D-9 R-31)  
Against 43 (D-39 R-4)

Knowland (R Calif.) amendment to direct President to terminate a trade agreement with any country found to be discriminating against American commerce. (9/15/49).

Rejected: For 27 (D-0 R-27)  
Against 54 (D-46 R-8)

Thomas (D Okla.) amendment to establish import quotas for petroleum and petroleum products. (9/15/49).

Rejected: For 40 (D-17 R-23)  
Against 41 (D-31 R-10)

Thomas (D Okla.) amendment (recapitulation of vote). (9/15/49). Vol. V, p. 431.

Rejected: For 40 (D-17 R-23)  
Against 41 (D-31 R-10)

Butler (R Neb.) amendment to incorporate "escape clause" in all future agreements and in existing agreements negotiated prior to Jan. 1, 1943. (9/15/49).

Rejected: For 29 (D-1 R-28)  
Against 53 (D-47 R-6)

Kilgore (D W.Va.) amendment to prohibit negotiation of trade agreements involving hand-made glassware and pottery. (9/15/49).

Rejected: For 20 (D-6 R-14)  
Against 61 (D-42 R-19)

Millikin (R Colo.) amendment to limit extension to two years from June 12, 1948, instead of three years. (9/15/49).

Rejected: For 33 (D-2 R-31)  
Against 49 (D-46 R-3)

Malone (R Nev.) substitute amendment to provide for administration of a flexible tariff, based on rates in existence June 30, 1949, by a Foreign Trade Authority, and to terminate existing trade agreements at earliest expiration date. (9/15/49).

Rejected: For 17 (D-1 R-16)  
Against 64 (D-47 R-17)

Trade Agreements Extension Act of 1949 (HR 1211). Passage of bill. (9/15/49).

Passed: For 62 (D-47 R-15)  
Against 19 (D-1 R-18)

### 1948

Trade Agreements Extension Act of 1948. (HR 6556). Barkley (D Ky.) amendment to extend Reciprocal Trade Agreements Act until June 30, 1951. (6/14/48). Vol. IV, p. 219.

Rejected: For 41 (R-1 D-40)  
Against 48 (R-47 D-1)

Barkley (D Ky.) amendment extending Reciprocal Trade Agreements Act until June 30, 1950. (6/14/48).

Rejected: For 42 (R-2 D-40)  
Against 47 (R-46 D-1)

Barkley (D Ky.) amendment extending Reciprocal Trade Agreements Act one year in present form. (6/14/48).

Rejected: For 43 (R-3 D-40)  
Against 46 (R-45 D-1)

Extend Reciprocal Trade Agreements Act until June 30, 1949, and enable President to make trade agreements after Tariff Commission reports within 4 months after called upon to do so, and provide for the President to explain to Congress any agreements beyond the Commission's recommendations. Passage of bill. (6/14/48).

Passed: For 70 (R-47 D-23)  
Against 18 (R-1 D-17)

## 1945

Trade Agreements Extension Act of 1945. (HR 3240). Committee amendment to eliminate authority for administration to make any further tariff cuts. (6/19/45). V. I. p. 304

Defeated: For 33 (R-25 D-8)  
Against 47 (R-9 D-37)

Shipstead (F-L Minn.) - Wherry (R Neb.) - O'Mahoney (D Wyo.) amendment to prohibit tariff cuts on certain agricultural products. (6/20/45)

Defeated: For 27 (R-24 D-3)  
Against 49 (R-8 D-40)

O'Daniel (D Tex.) amendment to make each tariff agreement subject to approval by two-thirds vote of the Senate. (6/20/45) V. I. p. 305.

Defeated: For 20 (R-15 D-5)  
Against 55 (R-15 D-39)

Robertson (R Wyo.) amendment to place wool imports on a quota system. (6/20/45)

Defeated: For 23 (R-18 D-5)  
Against 51 (R-11 D-39)

O'Mahoney (D Wyo.) amendment to require Congressional approval of each tariff agreement. (6/20/45).

Defeated: For 27 (R-20 D-7)  
Against 49 (R-11 D-37)

Trade Agreements Extension Act of 1945. (HR 3240). Passage of bill extending Act for three years - until June 12, 1948 - with authority for additional tariff cuts up to 50 per cent. (6/20/45)

Passed: For 54 (R-15 D-38)  
Against 21 (R-16 D-5)

## House

## 1953

Trade Agreements Extension Act of 1953 (HR 5495). Extend for one year the authority of the President to enter into foreign trade agreements under section 350 of the Tariff Act of 1930. Smith (D Miss.) motion to recommit the bill with instructions to strike out title increasing membership of the Tariff Commission from six to seven (6/15/53). Vol. IX, p. 252.

Rejected: For 185 (R-6 D-178)  
Against 215 (R-200 D-15)

Trade Agreements Extension Act of 1953 (HR 5495). Passage of bill. (6/15/53).

Passed: For 363 (R-179 D-183)  
Against 34 (R-25 D-9)

Trade Agreements Act (HR 5894). Amend Trade Agreements Extension Act of 1951 to provide for import quotas on petroleum products and for a sliding tariff rate on lead and zinc. Adoption of rule (H Res 347) providing for consideration of bill (7/23/53).

Adopted: For 219 (R-138 D-81)  
Against 183 (R-72 D-110)

Trade Agreements Act (HR 5894). Curtis (R Mo.) motion to recommit bill to Ways and Means Committee (7/23/53).

Agreed to: For 242 (R-104 D-137)  
Against 161 (R-105 D-56)

## 1951

Trade Agreements Extension Act of 1951 (HR 1612). Extend to June 12, 1954, authority of the President to enter into foreign trade agreements. Simpson (R Pa.) amendment directing Tariff Commission to determine minimum tariff rates for protection of U.S. industries, and require that if tariffs are lowered below that point, or if already lower are not raised to the minimum, full information shall be filed with Congress ("peril points" amendment.) (2/7/51). Vol. VII, p. 260.

Agreed to: For 225 (D-42 R-183)  
Against 168 (D-163 R-4)

## President McKinley On Reciprocal Trade

In a speech in Buffalo on Sept. 5, 1901, the night before he was shot, President McKinley said: "By sensible trade arrangements which will not interrupt our home production, we shall extend the outlets for our increasing surplus. A system which provides a mutual exchange of commodities is manifestly essential to the continued and healthful growth of our export trade. We must not repose in fancied security that we can forever sell everything and buy nothing... We should take from our customers such of their products as we can use without harm to our industries and labor. Reciprocity is the natural outgrowth of our wonderful industrial development under the domestic policy now firmly established. What we produce beyond our domestic consumption must have a vent abroad. The excess must be relieved through a foreign outlet... The period of exclusiveness is past... Reciprocity treaties are in harmony with the spirit of the times; measures of retaliation are not."

## 1949

Trade Agreements Extension Act of 1949 (HR 1211). Simpson (R Pa.) motion to recommit bill extending trade agreements program until June 12, 1951, and repealing Trade Agreements Extension Act of 1948. (2/9/49). Vol. V, p. 424.

Rejected: For 151 (D-7 R-144)  
Against 241 (D-235 R-5)

CQ Poll: For 1 (D-0 R-1)  
Against 2 (D-2 R-0)  
Vol. V, p. 405

Trade Agreements Extension Act of 1949 (HR 1211), extending trade agreements program and repealing Trade Agreements Extension Act of 1948. Passage of bill (2/9/49).

Passed: For 319 (D-234 R-84)  
Against 69 (D-6 R-63)

CQ Poll: For 4 (D-4 R-0)  
Against 0  
Vol. V, p. 405

## 1948

Trade Agreements Extension Act of 1948. (HR 6556). Allen (R Ill.) motion to order previous question, closing debate and banning amendments. (5/26/48). Vol. IV, p. 222.

Agreed to: For 212 (R-212 D-0)  
Against 156 (R-0 D-154)

H Res 608 providing for consideration of, and three hours debate on HR 6556. (5/26/48).

Adopted: For 197 (R-195 D-2)  
Against 166 (R-12 D-152)

Doughton (D N.C.) motion to recommit. (5/26/48).

Rejected: For 163 (R-17 D-149)  
Against 211 (R-205 D-6)

Trade Agreements Extension (HR 6556). Passage of bill (extending Reciprocal Trade Agreement's Act, as amended, for one year). (5/26/48).

Passed: For 234 (R-218 D-16)  
Against 149 (R-5 D-142)

## 1945

Trade Agreements Extension Act of 1945. (HR 3240). Knutson (R Minn.) motion to recommit to limit extension to two instead of three years and to prohibit any further tariff reduction. (5/26/45). Vol. I, p. 308.

Defeated: For 181 (R-167 D-13)  
Against 212 (R-7 D-204)

Trade Agreements Extension Act of 1945 (HR 3240). Extend act for three years, until June 12, 1948, with authority to cut tariffs up to 50 per cent. (5/26/45).

Passed: For 239 (R-33 D-205)  
Against 153 (R-140 D-12)



## pressures on congress

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### BATTLE OVER TRADE

The perennial lobby battle over extension of the Reciprocal Trade Agreements Act is on again in full force, amid indications that this year's struggle will be the biggest in recent years.

Involving specialized interests which fear the impact of imports, and national groups which regard freer trade as indispensable to prosperity and security, the 1954 battle is for bigger stakes than usual.

Lobbies supporting the Act are fighting to have it extended three years, rather than one or two years, as has been recent Congressional practice. Groups opposing the law are playing "for keeps"; they want it killed, rather than merely weakened by amendment.

Both sides appear stronger in membership and financial backing than before.

In contrast to the line-up in days of William McKinley, most of the tariff advocates this year represent special and medium-sized business, farm and labor interests. Large national business and financial groups which once plugged for high tariffs now generally support liberalized trade.

#### INDUSTRY LINEUP

Some major industries, such as petroleum and chemical, are divided, although the majority sentiment seems to favor reciprocal trade extension.

The tariff camp includes such interests as the nut industry; pin, clip and fastener makers; dairy, fishing, cattle and fruit and vegetables interests; coal and oil producers; and makers of ceramics, cordage and twine, matches and scientific apparatus. This coalition is led by two powerful groups: the Nation-wide Committee of Industry, Agriculture and Labor on Import-Export Policy, and the American Tariff League.

On May 18, these interests will meet in Washington, under sponsorship of the Nation-wide Committee, to formulate their legislative plans for the "show-down" period of late May and early June. The present Act expires June 12.

The pro-reciprocal-trade forces include such national groups as American Federation of Labor, Congress of Industrial Organizations, American Farm Bureau Federation, National Grange, National Farmers Union, Chamber of Commerce of the U.S., League of Women Voters, American Veterans Committee, National Council of Churches of Christ in America, and National Foreign Trade Council.

A spearhead of this coalition is the Committee for a National Trade Policy, which is planning to hold a legislative strategy meeting early in May.

Tempo of the skirmishing stepped up April 15, when the Administration's reciprocal trade bill was introduced in the House by Rep. Robert W. Kean (R.N.J.). This measure (HR 8860) would give the President authority, over a three-year period, to reduce tariff rates five per cent a year; or up-to-50 per cent on goods of which imports are currently negligible; or reduce to 50 per cent rates now in excess of that amount.

#### STRACKBEIN PROGRAM

The Nation-wide Committee, headed by O. R. Strackbein, former Tariff Commission official, is opposing this measure with its own eight-point program including scuttling of the Act. Its officials are circulating kits explaining the program. Entitled "Tariffs and Trade: What Imports From Cheap-Labor Areas Mean to America," the kit consists of pamphlets prepared by a public relations firm, and reprints of speeches by Congressmen and businessmen.

The Strackbein group is using legislative units of its allies and is ready to support a bill, now drafted, based on its program.

An ally of this group, American Tariff League, is plugging its own 10-point plan, which includes abandonment of the "executive trade agreement method of setting rates," as now provided under reciprocal trade.

Says League president, H. Wickliffe Rose: "The tariff is universally admitted to be the fairest, most equitable, and most liberal method of trade regulation."

Another member of this bloc, the Foreign Oil Policy Committee, is renewing its fight for a five per cent quota limitation on residual oil imports. Thomas Pickett, executive vice president of the National Coal Association, and a guiding spirit in FOPC, told CQ the Committee was sponsoring a series of regional meetings to stir interest in its viewpoint. Pickett is former Democratic Representative from the Seventh District of Texas.

#### RECIPROCAL TRADE BACKERS

The growing tariff effort is being countered by increasing pressure activities on the part of reciprocal-trade supporters. The Committee for a National Trade Policy is circulating a study it has just concluded of the effect of world trade on business in the First Congressional District of Iowa.

The study said that Iowa farmers and businessmen would suffer a serious loss of income if foreign trade were curtailed. Between 40 and 45 per cent of the industrial workers in the First Iowa District are in enterprises with a greater interest in exports than in high tariffs, according to the study. Only five per cent of the workers were found to have a predominant stake in protection.

Exports are of prime importance for Iowa's producers of farm machinery, fountain pens, locomotives, and defense materials, the study said.

The District's farmers are heavily dependent on exports, with a large part of the agricultural income derived from foreign sales of corn and hogs, lard, and soybean oil, "and it must not be forgotten that agricultural machinery sales in the U.S. market depend on the prosperity of the farmer -- while the prosperity of wheat, cotton and other farm products is dependent on exports," the survey added.

It concluded: "There can be no question where the balance of interest lies in the First Congressional District in Iowa as between a program to maintain and expand exports and a program to continue existing levels of protection for U.S. producers. In industry there is a noticeable margin in favor of exports. In agriculture the export interest is clearly predominant."

The First Iowa District's Congressman, Republican Rep. Thomas E. Martin, now a candidate for the Senate, in the past frequently has voted to restrict the trade agreements program. For example, on these roll-call issues Martin: Was against passage of a 1945 extension; in 1949 favored recommitment of legislation to extend the program; favored "peril points" in 1951; and in 1953 favored the unsuccessful Simpson bill, described by its opponents as extremely protective.

Directors and other top officials of the Trade Policy Committee (chairman, John S. Coleman, head of Burroughs Corp.; president, Charles P. Taft, Ohio lawyer and brother of the late Senator) are making speeches and contacts designed to stimulate regional campaigns for reciprocal trade extension.

A legislative letter being mailed by the Committee reads: "Members of the House of Representatives will be back home for the next 10 days. If possible, see your Congressman in person and impress upon him the importance of supporting President Eisenhower's trade program."

### Major Trade Arguments

This year, major arguments of both sides appear to center around the current economic dip, and national security.

On the subject of prosperity, reciprocal-trade supporters argue:

"Expanding production and increasing consumption can only be maintained if American industry is provided adequate export markets. A high-level foreign trade also serves to keep prices reasonable and to stimulate the American competitive free enterprise system. In short, it is essential to prosperity."

Tariff advocates reply as follows:

"Many U.S. industries are already seriously threatened by low-priced foreign imports into this country. Additional imports will only serve to accelerate the current recession, and threaten the jobs of many workers.

The U.S. worker needs a wall of protection to guard him against the competition of more cheaply paid labor abroad."

Regarding national security, the reciprocal trade lobbies are presenting this argument:

"Security cannot rest alone on expenditures for military weapons. It depends also on a strong economic system at home and prosperous allies. If we seek the military and political cooperation of the other free nations, we must be ready to cooperate in the economic sphere as well. Expanding foreign trade is therefore indispensable to our defensive strength."

The reply to this argument is found in current literature of the tariff coalition:

"Freer trade would deal our national defense a serious blow by weakening the over-all economy. More specifically, it would injure some of the most vital defense industries, such as the electrical and chemical. Tariffs and quotas are as necessary to defense as they are to prosperity."

House members who are currently being bombarded by these arguments, have another important matter on their minds right now: the coming national elections. Lobby officials on both sides of the trade fence admit privately that, rather than precipitate a hot battle over trade in the House, the legislators may compromise on another one-year extension of reciprocal trade.

### ADA CONVENTION

Americans for Democratic Action held its annual convention in Chicago April 9-11, and went on record as favoring:

An expanding economy program, including tax cuts for low-income groups, a liberalized housing program, and higher minimum wage.

More democracy in elections, by means of liberalization of present residence and registration requirements; voting rights for all citizens over 18; and other steps.

Constructive natural resource development, through integrated multi-purpose projects, continuing civilian control over atomic energy, and other means.

Maintenance of housing, education, health and welfare, by, among other things, continued public housing; adequate federal aid to schools; enactment of a universal health insurance program; and rapid expansion of old-age insurance.

Strengthening civil liberties through such means as fair, prompt hearings and adequate judicial review for potential security risks, non-interference with academic freedom, and curtailment of wire-tapping.

**Organization Data.** Americans for Democratic Action terms itself anti-Communist and non-partisan. It was founded immediately after the election of 1946, to rally defeated liberal forces, and gained much of its subsequent strength from opposition to the Progressive movement headed by Henry Wallace.

Among its founders: Mrs. Franklin D. Roosevelt (present honorary chairman); Thomas K. Finletter, ex-Secretary of the Air Force; Mrs. Gifford Pinchot; Walter Reuther, CIO president; Morris Ernst, New York author; and James B. Carey, Secretary-Treasurer of CIO.

## LOBBYIST REGISTRATIONS

Registrant. COOKE & BENEMAN (lawyers), 1632 K St., N.W., Washington, D.C. Filed 4/16/54.

Employer. The J. R. Watkins Company (manufacturers and distributors of pharmaceuticals, household and farm supplies), Winona, Minn.

Legislative Interest. "Proposed Revenue Code of 1954 (HR 8300) -- seeking clarification of language regarding specially denatured alcohol."

Registrant. JAMES M. WILLIAMSON (lawyer), 1000 Shoreham Building, Washington, D.C. Filed 4/16/54.

Employer. The J. R. Watkins Company, Winona, Minn.

Legislative Interest. "Proposed Revenue Code of 1954 (HR 8300) -- seeking clarification of language regarding specially denatured alcohol."

Expenses. Travel -- not in excess of \$170.

Registrant. ROBERT J. BIRD (Ivins, Phillips & Barker), 306 Southern Building, Washington, D.C. Filed 4/15/54.

Employer. Machinery Dealers National Association, 1346 Connecticut Ave., N.W., Washington, D. C.

Legislative Interest. "Depreciation provision of HR 8300, the tax revision bill; favor amendment to permit used machine tools to get the benefit of rapid depreciation."

Salary. "Quantum meruit basis"; received \$1,000 retainer.

Previous Registrations. Estate of O. P. Woodward, Rochester, N.Y. (1953); Symington-Gould Corporation, Depew, N.Y. (1953); Eastman Kodak Company (1953); Remington Rand, Inc. (1954); (CQ Weekly Report, p. 244.)

Registrant. CLARENCE E. DAWSON, Esq. (attorney) 821 15th St., N.W., Washington, D.C. Filed 4/15/54.

Employer. Western Union Telegraph Company, 60 Hudson St., New York, N.Y.

Legislative Interest. "Proposed federal tax legislation affecting the interests\* of the Western Union Telegraph Company."

Previous Registrations. New York Stock Exchange (1947); Chase National Bank of the City of New York (1948).

Registrant. OMER W. CLARK (national director of legislation), 1701 18th St., N.W., Washington, D.C. Filed 4/15/54.

Employer. Disabled American Veterans National Headquarters, 1423 East McMillan St., Cincinnati, Ohio.

Legislative Interest. All legislation affecting war veterans, their dependents and survivors of deceased veterans.

Registrant. PATRICK B. HEALY (director, division of special services), 1731 I St., N.W., Washington, D.C. Filed 4/14/54.

Employer. National Milk Producers Federation, 1731 I St., N.W., Washington, D.C.

Legislative Interest. "Any legislation that may affect milk producers or the cooperatives through which they act together to process and market their milk."

Salary. \$8,500 annually effective April 5, 1954.

Registrant. CHARLES W. DAVIS (lawyer), 1 North LaSalle St., Chicago, Ill. Filed 4/13/54.

Employer. Clearing Industrial District, Inc. (real estate), 38 South Dearborn St., Chicago, Ill.

Legislative Interest. "Provisions of the 1954 Revenue Revision Bill relating to taxation of gains and losses upon sale of real property by dealers."

Previous Registration. John Stuart, Chicago, Ill. (1954) (CQ Weekly Report, p. 244).

Registrant. CLARIS ADAMS (executive vice president and general counsel), 1000 Vermont Ave., Washington, D. C. Filed 4/13/54.

Employer. American Life Convention, 230 North Michigan Avenue, Chicago, Ill.

Legislative Interest. Legislation affecting life insurance.

Salary. \$45,000 annually.

Registrant. ALAN M. NEDRY, 1001 Connecticut Ave., N.W., Washington, D.C. Filed 4/13/54.

Employer. Otis H. Ellis (general counsel), National Oil Jobbers Council, 1001 Connecticut Ave., N.W., Washington, D.C.

Legislative Interest. Legislation affecting business interests of independent oil jobbers.

Salary. \$225 per quarter (for legislative activities).

Expenses. \$75 per quarter.

Registrant. WESTON VERNON, JR., Esq. (lawyer), 15 Broad St., New York, N.Y. Filed 4/13/54.

Employer. Western Union Telegraph Company, 60 Hudson St., New York, N.Y.

Legislative Interest. "Proposed federal tax legislation affecting the interests of the Western Union Telegraph Company."

Previous Registrations. New York Stock Exchange (1947); Chase National Bank of the City of New York (1948); Equitable Life Assurance Society of the United States (1950).

Registrant. J. HARDIN PETERSON (lawyer; former House Member, D Fla.), Lakeland, Fla. Filed 4/13/54.

Employer. Florida Citrus Mutual (citrus growers cooperative), Lakeland, Fla.

Legislative Interest. "A bill relating to the tax treatment...of land with unharvested crops."

Salary. \$833.33 monthly.

Expenses. Estimated not to exceed \$1000.

Previous Registrations. Alaska Statehood Committee, Juneau, Alaska (1951); Government of Guam, Agana, Guam, M.I. (1951-52); United States Air Lines (1952); Fort Lauderdale, Fla., Air Lines (1952); Florida Citrus Mutual, Lakeland, Fla. (1953).

Registrant. FLORIDA CITRUS MUTUAL (citrus growers cooperative), Lakeland, Fla. Filed 4/13/54.

Legislative Interest. "A bill relating to the tax treatment...of land with unharvested crops."

Previous Registration. Florida Citrus Mutual (1953).



## TRADE BATTLE ISSUES, GROUPS

The Issue. The Reciprocal Trade Agreements Act has been a lobby issue ever since it was enacted in 1934. The original law lasted for three years. It has since been extended eight times, the last renewal being in 1953 for a one-year period. (See pages 497, 505.)

Each renewal has been the occasion of lobby campaigns. Lobbies backing the Act called it a symbol of America's readiness to cooperate with other free nations. To end or seriously cripple it, they said, would indicate to other nations that the U.S. intended to return to economic isolationism.

Tariff lobbies charged that, by letting in "price-depressing" imports, the reciprocal trade program injured special industries and hurt the economy.

Focal point of last year's lobby fight was HR 4294, sponsored by Rep. Richard M. Simpson (R Pa.), to extend the Act one year, but simultaneously provide for import quotas on oil, lead and zinc. This measure was subsequently split into two bills, one of which was enacted as the one-year extension. The other, incorporating the controversial quota provisions, is still before the House Ways and Means Committee.

The Organizations. The Nation-wide Committee of Industry, Agriculture and Labor made its official bow March 21, 1953. It was formed by O. R. Strackbein to oppose the "trade, not aid" concept, and to fight tariff reduction. Its officials say it represents industries employing more than 4.5 million workers.

Strackbein is an ex-Tariff Commission official who several years ago, decided that the scattered groups fighting reciprocal trade needed cohesion. In 1950, he formed the National Labor-Management Council on Foreign Trade Policy. Last year, foreseeing a record fight over trade, Strackbein organized the Nation-wide Committee to provide still closer teamwork for tariff forces.

Policies of the Committee are developed by a five-man executive committee responsible to the 20-member board of directors. Executive members include Otie M. Reed, representing the National Creameries Association; John Breckinridge, partner in the Washington law firm of Pope, Ballard & Loos; Matthew Dushane, with the Seafarers' International Union of North America (AFL); and Edward W. Wooten, official of the Wine Institute. Strackbein is chairman.

The Committee's 70-odd member groups include the National Coal Association, Dairy Industry Committee, Diamond Match Company, and Almond Growers Exchange. Members finance the group through direct contribution, according to Strackbein.

### TARIFF LEAGUE

Organized protectionist sentiment has long centered in the American Tariff League. For decades after it was formed in 1885 as the American Protective Tariff League, the group fought for tariff boosts in the belief, as one official put it, that "tariffs can't be too high."

Thirty years ago the word "Protective" was dropped from the organization's title, but it continued to work

for tariffs "which equalize differentials in wage costs here and abroad."

Today, League membership covers 80 branches of industry and agriculture and some 300 companies and farm groups. It is League policy not to identify its members. However, it is known that the list includes such large concerns as American Viscose, Monsanto Chemical, American Cyanamid, Westinghouse Electric, Bausch & Lomb. Some League members also belong to Strackbein's Committee.

League president is H. Wickliffe Rose, head of Linen Thread Co., Inc. Most Congressional contact work is done by Richard H. Anthony, secretary, who says, "You have to let Congress know where you stand."

Policies of the League are decided at the annual membership meeting; details are developed by the 28-man board of managers, convening monthly. The executive committee of 10 drafts testimony and selects persons to testify before Congressional Committees. The group's monthly legislative letter keeps members informed and encourages them to act.

### PRO-TRADE BLOC

Like the high-tariff forces, groups supporting reciprocal trade are bound together by interlocking memberships. Several officials of pro-trade groups are also advisers to Administration agencies.

Since it was formed last September, the Committee for a National Trade Policy has become the clearing-house for most of the groups supporting reciprocal trade. Guiding spirits in its formation were Harry A. Bullis, chairman of General Mills; John J. McCloy, former U.S. High Commissioner for Germany and now chairman of Chase National Bank; and Ralph I. Strauss, director of R. H. Macy & Co.

A few of the Committee's directors include Strauss; William L. Batt, Philadelphia businessman who served as vice-chairman of the War Production Board; and Joseph P. Spang, Jr., head of the Gillette Co.

Advisers include: Richard L. Bowditch, president, Chamber of Commerce of the U.S.; William L. Clayton, cotton broker and ex-Undersecretary of State; Allan B. Kline, head of the American Farm Bureau Federation; George Meany, president, American Federation of Labor; and Walter Reuther, Congress of Industrial Organizations chief.

### CHAMBER OF COMMERCE UNIT

One of the Trade Policy Committee's most important allies is the U.S. Council, International Chamber of Commerce. The Chamber is a world-wide organization of businessmen devoted to advancing international trade and commerce. Its U.S. Council is one of 30 autonomous national affiliates. According to Council chairman Warren Lee Pierson, the Council is a "non-profit, non-partisan group of representatives from many geographical sections and many industries." The Council has been one of the most consistent supporters of expanded trade among nations.





(APRIL 15-21)

## around the capitol

## TROOPS IN INDO-CHINA

Statements by Vice President Nixon and Secretary of State John Foster Dulles on U.S. policy regarding use of American troops in Indo-China stirred extensive Congressional comment.

Nixon said April 16 that U.S. troops might have to be sent to Indo-China, in a last-ditch effort to save the area from Communist domination, if the French were to withdraw their troops.

Nixon, addressing the American Society of Newspaper Editors, made the statement "off the record." He later permitted reporters to quote the statement but not attribute it to him. Several newspapers, in the U.S. and abroad, next day identified Nixon as the source.

In Cincinnati April 20, Nixon said the aim of the Eisenhower Administration was to hold Indo-China "without a war involving the U.S. if we can." He said the U.S. would seek an "honorable and peaceful settlement" in Indo-China at the Geneva Conference, but would oppose surrender to the Communists.

He said the policy being developed by the Administration was designed to prevent the sending of U.S. troops "anywhere," and attacked the Administration of former President Truman for "failure, weakness, vacillation and crisis-reaction" in foreign affairs.

Nixon said that if Indo-China fell under Communist rule, the "whole of Southeast Asia would be put in jeopardy."

Secretary of State Dulles, after a conference with President Eisenhower April 19, said it was "unlikely" that American troops would be sent to Indo-China if the French withdrew.

Dulles conferred April 20 with a bipartisan group of Congressional leaders to explain the situation to them. Sen. Homer Ferguson (R Mich.), who attended the conference, said no decision to send troops had been made. Dulles, the same day, left for Geneva to attend the April 22 meeting at which Far Eastern problems, including Korea and Indo-China, were to be discussed.

## CONGRESSIONAL COMMENT

April 17. Senate majority leader William F. Knowland (R Calif.): "Before any American combat forces were committed, the matter would be brought to Congress."

Rep. Clare E. Hoffman (R Mich.): "It would be a case of getting out of Korea into Indo-China."

Sen. John L. McClellan (D Ark.): "There ought to be more at stake than saving Indo-China as a colony for France" if American troops were to be sent there.

Sen. Bourke B. Hickenlooper (R Iowa): "If we have such a policy (to send troops), I'd like to know about it. But I don't think we have."

Chairman Alexander Wiley (R Wis.) of the Senate Foreign Relations Committee: "I do not think that (the use of troops) will come to pass."

Sen. George A. Smathers (D Fla.): "Put our enemies on notice that if we are drawn into a war, we are going in with everything we have."

April 19. Sen. Leverett Saltonstall (R Mass.) assured the Senate there had been "no change" by the Departments of Defense and State in the policy of not sending American troops to Indo-China. Saltonstall said that Secretary of Defense Charles E. Wilson assured him some 200 American technicians now there would be brought home by June, 1954.

Sen. Edwin C. Johnson (D Colo.): "I am against sending American GI's on a bloodletting spree to perpetuate colonialism and white man's exploitation in Asia. The Monroe Doctrine and Asia for Asians ought to be the foundation of our foreign policy." Johnson accused Nixon of "whooping it up for war" in Indo-China at a recent off the record gathering of Democratic Senators, attended by the Vice President.

Sen. Ralph E. Flanders (R Vt.): "(If) armed intervention" is necessary, the President "must and I am sure will come to Congress to have such action authorized."

April 20. Rep. Emanuel Celler (D N.Y.): "(The President), with his Chiefs of Staff, must assure an anxious nation as to our policy. As a Congressman, I demand assertion of leadership...."

Sen. William E. Jenner (R Ind.): "We must not permit Americans to become engaged in the fighting until the Free Chinese get all the equipment to do what they are pleading to do."

Defense Secretary Wilson said April 21 that the U.S. Air Force was ferrying French paratroopers from France to Indo-China. Wilson added that the 8,500 mile operation was in "line with present U.S. military policy" and "in conformity with our existing military assistance program."

## TROOPS IN EUROPE

President Eisenhower said April 16 that a "fair share" of American troops would be maintained in Europe as long as a "threat to the security of the area exists." His statement, contained in a six-point message to the Prime Ministers of six Western European nations, also pledged that the U.S. would share with its allies more information on the use and effects, but not production secrets, of atomic and hydrogen weapons.

Chairman Alexander Wiley (R Wis.) of the Senate Foreign Relations Committee, and Leverett Saltonstall (R Mass.) of the Senate Armed Services Committee, both said they had not been consulted about the action. Wiley said that if any "departure in policy is to be involved later, I'm sure the President will come to Congress with it." Saltonstall said he would ask Secretary of Defense Charles E. Wilson to explain the "official nature of the commitment."

However, a State Department spokesman said that consultation with Congressional leaders on the President's

statement was extensive and went "beyond the leadership of both parties."

(The U.S. now has five divisions, plus troop units equal to a sixth, in Europe. The Department of Defense said the average U.S. division had about 17,000 men.)

## OPPENHEIMER COMMENT

Vice President Nixon said April 16 that he felt Dr. J. Robert Oppenheimer, physicist, barred from U.S. secret data pending the outcome of a loyalty hearing, is a "loyal American." (CQ Weekly Report, p. 484.)

Nixon had asked that his remarks remain unattributed, but later news stories identified him as the source. Nixon added that he felt Oppenheimer was loyal even though the "information in his file makes a case (for his being a) security risk."

Chairman William E. Jenner (R Ind.) and former chairman Pat McCarran (D Nev.) of the Senate Internal Security Subcommittee issued a joint statement April 15 saying their group uncovered "voluminous information" on Oppenheimer in 1952. But, they said, no action was taken at that time because of the sensitive nature of Oppenheimer's work and the "many ramifications involved in the situation."

Sen. Albert Gore (D Tenn.) said April 19 that, as chairman of a House Appropriations subcommittee that handled the money request for the H-Bomb, he was familiar with the charges against Oppenheimer. Gore said he had "no doubt whatever about Oppenheimer's loyalty. For one who is accused of disloyalty, he has contributed remarkably well to the security and defense of the nation."

In Dallas, Tex., Sen. Joseph R. McCarthy (R Wis.) said April 14 that he considered Oppenheimer a security risk for years, and that "we have got our eyes on some other fellows besides Oppenheimer."

## McCARTHY SPEECH

Sen. Joseph R. McCarthy (R Wis.) April 21 charged that "devilishly clever" plans to change (Permanent Investigations Subcommittee) rules, under the guise of "fair play," would make it "impossible" for the (Subcommittee) to expose and fight the Communist conspiracy." The Wisconsin Republican spoke in Houston, Tex., the day before formal hearings in the Army-McCarthy controversy began. (See CQ Committee Roundup.)

McCarthy reviewed the accomplishments of the Subcommittee, which, he said, included exposure of 93 "Fifth Amendment Communists" -- 20 of them in defense plants or government jobs where they had access to "classified material." McCarthy said that some "good men" were being used in the "plan" against the Subcommittee, with the assurance they will be "paid off by receiving praise from left-wing elements of news, radio and television."

McCarthy said that since March 16 the "exposure of traitors had come to a standstill" because "clever Pentagon politicians have convinced the august Senate body

and the Administration that a private in the Army is more important than our continued work of exposure of traitors."

## PRISONS

Rep. Joel T. Broyhill (R Va.) April 15 called for a Congressional probe of the federal prison system, saying he could produce a dozen witnesses to support charges the system was filled with "corruption, kick-backs and destruction of official files." Broyhill Feb. 17 introduced a resolution (H Res 445) to probe the activities of the Bureau of Prisons.

In a House speech, Broyhill charged the system was "rotten to the core," and that "felons, Communists and fellow-travelers" were being "coddled."

Sen. William Langer (R N.D.), chairman of the Judiciary Committee, and the Subcommittee on National Penitentiaries, said April 20 that the Broyhill charges were "irresponsible" and "just not true." Langer said the Congressman never had complained to either the Department of Justice or his Subcommittee. Sen. Thomas C. Hennings, Jr., (D Mo.), a member of the Subcommittee, joined with Langer in praising the record of Director James V. Bennett, Bureau of Prisons director.

## ATOMIC ENERGY

Identical bills (HR 8862 and S 3323) to amend the Atomic Energy Act of 1946 were introduced April 15 and 19 by Rep. W. Sterling Cole (R N.Y.) and Sen. Bourke B. Hickenlooper (R Iowa), Chairman and Vice Chairman of the Joint Committee on Atomic Energy.

Cole, in introducing the Administration-sponsored legislation, said it would permit the President to authorize the Atomic Energy Commission to communicate to allies official data necessary to the development of defense plans, training of personnel, and evaluation of capabilities of potential enemies.

Cole said the bill would "provide the basis for licensing what is hoped will be a great new industry in atomic energy" and that "normal patent rights would be permitted in the peaceful applications of atomic energy."

The bill also would provide for the formation of an international atomic pool for peaceful purposes.

## CONGRESSIONAL BRIEFS

### TAXES

Sen. Russell B. Long (D La.) said April 17 he might offer an amendment for additional broad-scale excise tax cuts when the House-passed general tax revision bill (HR 8300) reached the Senate floor. The Senate Finance Committee currently is holding hearings on the bill. (See CQ Committee Roundup.)

Sen. Paul H. Douglas (D Ill.) said he would support any move by Long to cut the excise tax rate on television and radio sets.

## REFUGEES

Sen. Hubert H. Humphrey (D Minn.) charged April 19 that the State Department had "ignored the will of Congress" by admitting only six refugees since enactment of an emergency measure for refugee relief in 1953. (CQ Almanac, Vol. IX, 1953, p. 242.) Humphrey said it had been more than eight months since adoption of the law to admit 209,000 refugees and allow permanent residence for 5,000 aliens already in the U.S. A spokesman for the State Department said the slow start was due to a variety of reasons, among them that relatively few American sponsors had been found. Under the law, Americans must assume responsibility for the housing, employment and care of those admitted.

## RECIPROCAL TRADE ACT

An Administration-sponsored measure (HR 8860) to extend the Reciprocal Trade Act for three years and to give President Eisenhower power to cut tariffs an additional 15 per cent was introduced in the House April 15 by Rep. Robert W. Kean (R N.J.). Kean, in a statement, said that uncertainty abroad over the trade policies of the United States "threatens our security and the security and cohesion of the free world." (For lobbies on trade legislation, see pages 505, 506, 508.)

## ANTI-RECESSION

Rep. Franklin D. Roosevelt, Jr. (D N.Y.) April 14 introduced a measure (HR 8837) which, he said was designed to maintain the nation's economy by increasing consumer purchasing power. The 300-page bill recommended increasing personal income tax exemptions for lower income groups; raising the minimum wage; expanding unemployment compensation and social security coverage; planning public works projects; restoring public housing; extending farm price supports on basic commodities; and making surplus agriculture products available to needy persons in distressed labor areas.

## PRICE SUPPORTS

Sen. Allen J. Ellender, Sr. (D La.) said in an April 17 Louisiana radio talk that Secretary of Agriculture Ezra Taft Benson was "dead wrong" if he believed that flexible price supports would reduce consumer food prices.

## H-BOMB

Rep. Craig Hosmer (R Calif.) said April 19 that American H-bombs recently tested in the Pacific were developed by methods previously considered unworkable by United States scientists but later developed successfully by Russian scientists. "Analysis of the Red H-bomb debris" Hosmer said, "was our first positive indication that the discarded principle was good after all."

## PROBE TRANSFER?

Sen. Wayne Morse (I Ore.) said April 19 that he may offer a resolution to transfer the functions of Sen. Joseph R. McCarthy's (R Wis.) Permanent Investigations Subcommittee to some other group, such as the Judiciary Committee.

## THE EXECUTIVE BRANCH

(APRIL 15 - 21)

(For Executive Branch developments dealing with use of American troops overseas, see page 509.)

## DROUGHT CONFERENCE

President Eisenhower April 16 telegraphed invitations to the governors of Colorado, Kansas, New Mexico, Oklahoma and Texas to a White House conference April 26 to discuss dust-storm and drought relief measures for the Southwest. The session on drought would in effect be a regional conference because of a general meeting of governors at that time in Washington.

## SUPPLEMENTAL FUNDS

President Eisenhower April 20 sent Congress requests for \$57,508,000 in supplemental appropriations. He asked for \$50 million for the Small Business Administration, and \$7.5 million for the Veterans Administration in fiscal 1955. He also requested \$8,000 for the District of Columbia in fiscal 1954.

## FOREIGN AID

The Department of Commerce, in study of United States foreign aid, April 19 reported that:

Foreign aid in 1953 hit a peak of nearly \$6.5 billion but was tapering off at the year's end

Military aid in 1953 increased rapidly while economic aid decreased

U.S. purchasing of military supplies from foreign factories increased

Practically all aid programs declined in the latter months of 1953 in line with reduced appropriations made by Congress.

## BIG BUSINESS

A Federal Trade Commission report released April 15 showed that the top 200 U.S. manufacturing concerns accounted for 40.5 per cent of dollar value of manufactured products in 1950. In 1935, the report said, the then-top 200 concerns (they were not named in either instance) accounted for only 37.7 per cent of total dollar value. The report, copies of which were sent to the Vice President and Speaker of the House, said the concentration occurred despite an increase in the number of concerns from 200,000 in 1935 to 300,000 in 1950.

## ATOMIC CONFERENCE

Lewis L. Strauss, chairman of the Atomic Energy Commission, announced April 19 in a Los Angeles speech that President Eisenhower will ask a national U.S. scientific organization to arrange for a conference of the world's leading scientists in order "to hasten the day when the fear of the atom will begin to disappear from the minds of people and the governments of the East and of the West." Strauss gave no specific date for the conference.

## On The Wane Or Wing?

### FEDERAL AID TO AIRPORTS

The Administration and Congress are headed toward decisive action in 1954 on the eight-year old federal-aid-to-airports program.

The Senate Appropriations Committee currently is holding hearings on the House-passed State-Justice-Commerce Appropriation bill (HR 8067) for fiscal 1955--the money bill that each year usually carries funds to implement the program of federal grants-in-aid to state and local governments for airport construction and improvement.

But the pending bill has no such money provision this year because the whole airport aid program is being re-evaluated, and the Administration has not yet made its recommendations.

The Airport Panel of the Transportation Council, a group of aviation industry representatives appointed in May, 1953, by Robert B. Murray, Jr., Undersecretary of Commerce for Transportation, has conducted a study of the airport aid program and in a Feb. 3 report concluded that:

"The federal government should participate with local governments in the construction and development, generally on a 50-50 basis, of civil airports--to the extent that these airports serve the national interest."

#### BASED ON 1946 ACT

Funds for new airport construction grants was a controversial issue in the 1953 session of Congress. The Senate wanted to appropriate \$12.5 million for new projects. The House insisted no money at all be provided for new construction. On the last day of the session, the Senate yielded.

The program of federal grants to states for airport construction and improvement was set up in the Federal Airport Act of 1946 (Public Law 377, 79th Congress). The Act authorized up to \$500 million for a seven-year period beginning with fiscal 1947. In 1950, Congress extended the program through fiscal 1958.

Congress has appropriated \$214,221,154 for the program in the fiscal 1947-53 period. As of Jan. 31, 1954, a total of \$192,626,000 of these federal funds had been made available for airport construction grants, matched by \$194,903,000 in state and local government money. Completed projects have cost the federal government \$164,149,000.

Of the 2,476 airport projects programmed as of Jan. 31, 2,277 have been completed and another 163 are under construction. Whether the Civil Aeronautics Administration, which handles the program, gets the chance to program new projects will depend largely on whether the Administration and Congress clear the runways for future airport construction aid.

1947-54 Program				
Status as of Jan. 31, 1954. Amounts in thousands of dollars.				
State or Territory	Total Programmed			Projects
	Federal Funds	Matching Funds	Number of Projects	Completed
	1	2	3	4
Ala.	\$ 2,024	\$ 2,008	35	32
Ariz.	3,509	2,728	64	59
Ark.	2,016	2,075	54	48
Calif.	14,869	13,227	165	157
Colo.	3,291	3,555	54	49
Conn.	1,372	1,362	12	12
Del.	105	95	5	4
D.C.	---	---	---	---
Fla.	6,067	6,748	43	40
Ga.	4,902	4,784	55	45
Idaho	1,644	1,313	90	87
Ill.	13,862	19,076	54	51
Ind.	3,910	3,966	39	33
Iowa	4,201	4,314	76	73
Kan.	2,624	2,718	68	63
Ky.	2,565	2,552	38	34
La.	3,747	3,743	50	47
Maine	518	525	22	21
Md.	2,911	2,917	19	19
Mass.	4,816	5,494	40	38
Mich.	7,230	7,470	86	79
Minn.	4,901	4,900	91	90
Miss.	1,014	1,027	48	40
Mo.	6,294	6,349	65	62
Mont.	1,060	894	85	85
Neb.	2,651	2,660	93	90
Nev.	1,431	885	22	19
N.H.	200	200	13	12
N.J.	5,316	5,441	15	14
N.M.	1,445	1,170	34	32
N.Y.	13,113	14,284	62	57
N.C.	2,171	2,113	35	31
N.D.	1,001	987	57	51
Ohio	5,274	5,498	46	36
Okla.	3,173	3,111	74	70
Ore.	2,766	2,145	59	57
Pa.	10,122	10,546	58	48
R.I.	1,210	1,210	3	2
S.C.	998	957	17	14
S.D.	1,409	1,225	56	55
Tenn.	3,736	3,723	56	52
Tex.	13,146	13,445	124	106
Utah	2,492	1,568	38	36
Vt.	475	479	10	9
Va.	2,772	2,749	20	19
Wash.	3,684	3,353	57	55
W.Va.	2,642	2,669	22	19
Wis.	4,953	5,199	55	47
Wyo.	587	428	31	23
Alaska	1,783	599	32	30
Hawaii	1,874	1,848	15	14
P. R.	2,540	2,501	7	6
Virgin Is.	210	70	7	5
U.S. Total	186,219	189,885	2,415	2,222
Total	\$192,626	\$194,903	2,476	2,277

Source: Department of Commerce





(APRIL 16 - 22)

## floor action

### BUILDING PURCHASE

**Action.** The Senate April 20 approved an amended version of a House-passed bill (HR 6342) that would enable the federal government to build and finally own buildings after making rent-like payments to private contractors for periods of from 10 to 25 years. The measure was approved on a 47-30 roll-call vote. (For voting, see chart, page 514.) The Senate requested a conference with the House.

**Provisions.** HR 6342, as approved by the Senate, would:

Authorize the General Services Administration to acquire title to real property and construct public buildings through the execution of lease-purchase agreements

Extend the authority of the Postmaster General to acquire title to Post Offices through lease-purchase agreements.

Require approval of contracts, first by the Budget Bureau, then by the Senate and House Public Works Committees.

#### Background.

The bill was approved by the House in 1953. A similar measure approved by both houses in 1952 was vetoed by former President Truman because he objected to the requirement that each contract be approved by Congressional committees before taking effect. (CQ Almanac, Vol. VIII, 1952, p. 238-9.) The House-approved 1953 measure had no provisions for Congressional checks. (For prior Senate action this year, see CQ Weekly Report, p. 487.)

#### Debate.

April 20. Sen. Wayne Morse (I Ore.) charged that the measure would be used to help Republican candidates in the upcoming Fall elections. "You will be surprised," he said, "how public buildings will sprout in Districts where the races are close."

Sen. Warren Magnuson (D Wash.) said the bill could be a "grab-bag -- particularly for the money lenders." Magnuson said it would cost twice as much to acquire buildings through lease-purchase contracts as it would to construct them through direct appropriations.

Sen. Thomas H. Kuchel (R Calif.), who controlled the floor time for the Republicans on the measure, declared the government would save money on it. Kuchel said the government had paid rent on some buildings for "50 years," and at the end of that time had "acquired no title and no equity in the property."

#### Voting.

Voting for passage were 36 Republicans and 11 Democrats. Opposed were four Republicans -- George D. Aiken (Vt.), William Langer (N.D.), Herman Welker (Idaho), and John J. Williams (Del.) -- 25 Democrats and Morse.

#### Amendments Accepted.

(April 14)

Sen. John L. McClellan (D Ark.) -- Prohibit any lease-purchase agreement on the part of the Postmaster General without the express approval of the Senate and House Public Works Committees (rather than only on agreements involving \$20,000 or more.) Voice vote.

(April 15)

Sen. Thomas H. Kuchel (R Calif.) -- Require approval of contracts by the Director of the Budget, prior to submission to Congress. Voice.

Sen. John C. Stennis (D Miss.). (Supplementing McClellan amendment, above) -- Prohibit any proposed lease purchase agreement unless the Administrator of the General Services Administration gets approval of the House and Senate Public Works Committees. Voice.

Stennis and Sen. Guy Cordon (R Ore.) -- Provide that the government pay for each contract in equal annual installments, limiting such contracts in any one year to \$1 million for Post Offices and \$4 million for other buildings prior to July 1, 1955, and to an amount voted by Congress each year thereafter. Voice.

Amendments rejected.

(April 9)

Sen. Everett McKinley Dirksen (R Ill.) -- Submit to Congress 45 days prior to proposed effective date any agreement involving \$20,000 or more. Roll-call vote, 8-60. (For voting, see CQ Weekly Report, p. 488.) (The Dirksen amendment was less restrictive on the government than was the McClellan amendment, adopted later.)

(April 20)

Sen. Hubert H. Humphrey (D Minn.) -- Authorize negotiations between federal and local governments for payments in lieu of taxes after federal title to the property is acquired. Voice.

### WOOL SUPPORTS

**Action.** The Senate April 21 began debate on a bill (S 2911) providing a new support system for wool.

**Provisions.** As recommended by the Administration and the Agriculture Committee, (CQ Weekly Report, pp. 305-7), S 2911 would:

Permit price support by means of incentive payments to wool producers.

Remove the ceiling of 90 per cent of parity but limit support payments to 70 per cent of tariff receipts on imported wool.

#### Debate.

Faced with efforts to add amendments dealing with supports on other commodities, supporters of S 2911 pleaded with the Senate not to make the bill a "battleground for the entire agriculture program of the nation," as Lester C. Hunt (D Wyo.) said April 20. Making the same point April 21 were: George D. Aiken (R Vt.), chairman of the Agriculture Committee, Majority Leader William F. Knowland (R Calif.), Frank A. Barrett (R Wyo.), Clinton P. Anderson (D N.M.) and Spessard L. Holland (D Fla.).

On 90 per cent support for basic crops:

Allen J. Ellender, Sr. (D La.) offered an amendment April 21 to continue high rigid supports on the six "basic" crops through 1956. It was co-sponsored by Milton R. Young (R N.D.) and Democrats Richard B. Russell (Ga.), Burnet R. Maybank (S.C.), Russell B. Long (La.) and Hubert H. Humphrey (Minn.). Knowland and Hunt hinted that adoption of such an amendment might lead to a Presidential veto of the bill.

**Voting.** Five Committee amendments were agreed to by voice vote April 21.

# Senate Vote: Lease-Purchase Agreements

38. Lease-Purchase Agreements (HR 6342). Authorize the Administrator of the General Services Administration to acquire title to real property and to provide for the construction of public buildings by executing purchase contracts, and extend the authority of the Postmaster General to lease quarters for post-office purposes, thus making possible a \$3 billion government building program. Passage of bill. Passed, 47-30, April 20. (See story, p. 513.)

## RECORD VOTES

**FOR:** Y (yea)

✓ Announced For, Paired For, CQ Poll For.

**AGAINST:** N (nay)

X Announced Against, Paired Against, CQ Poll Against.

**NOT RECORDED:**

? Absent, General Pair, "Present," Did not announce or answer CQ Poll.

**NOT ELIGIBLE:**

— Not a Member when this vote was taken.

## DECLARED STANDS

TOTAL VOTE	38	REPUBLICANS	38	DEMOCRATS	38
YEAS	47	YEAS	36	YEAS	11
NAYS	30	NAYS	4	NAYS	25

38		38		38		38	
<b>ALABAMA</b>		<b>IOWA</b>		<b>NEBRASKA</b>		<b>RHODE ISLAND</b>	
Hill (D)	N	Gillette (D)	N	Butler (R)	Y	Green (D)	N
Sparkman (D)	?	Hickenlooper (R)	Y	Vacancy		Pastore (D)	N
<b>ARIZONA</b>		<b>KANSAS</b>		<b>NEVADA</b>		<b>SOUTH CAROLINA</b>	
Goldwater (R)	?	Carlson (R)	Y	Malone (R)	Y	Johnston (D)	N
Hayden (D)	Y	Schoeppel (R)	Y	McCarran (D)	N	Maybank (D)	N
<b>ARKANSAS</b>		<b>KENTUCKY</b>		<b>NEW HAMPSHIRE</b>		<b>SOUTH DAKOTA</b>	
Fulbright (D)	N	Clements (D)	N	Bridges (R)	Y	Case (R)	Y
McClellan (D)	N	Cooper (R)	Y	Upton (R)	Y	Mundt (R)	Y
<b>CALIFORNIA</b>		<b>LOUISIANA</b>		<b>NEW JERSEY</b>		<b>TENNESSEE</b>	
Knowland (R)	Y	Ellender (D)	Y	Hendrickson (R)	?	Gore (D)	Y
Kuchel (R)	Y	Long (D)	✓	Smith (R)	✓	Kefauver (D)	N
<b>COLORADO</b>		<b>MAINE</b>		<b>NEW MEXICO</b>		<b>TEXAS</b>	
Johnson (D)	N	Payne (R)	Y	Anderson (D)	Y	Daniel (D)	N
Millikin (R)	Y	Smith (R)	Y	Chavez (D)	✓	Johnson (D)	N
<b>CONNECTICUT</b>		<b>MARYLAND</b>		<b>NEW YORK</b>		<b>UTAH</b>	
Bush (R)	Y	Beall (R)	Y	Ives (R)	?	Bennett (R)	Y
Purtell (R)	Y	Butler (R)	?	Lehman (D)	N	Watkins (R)	Y
<b>DELAWARE</b>		<b>MASSACHUSETTS</b>		<b>NORTH CAROLINA</b>		<b>VERMONT</b>	
Frear (D)	N	Kennedy (D)	✓	Hoey (D)	?	Aiken (R)	N
Williams (R)	N	Saltonstall (R)	Y	Lennon (D)	?	Flanders (R)	Y
<b>FLORIDA</b>		<b>MICHIGAN</b>		<b>NORTH DAKOTA</b>		<b>VIRGINIA</b>	
Holland (D)	Y	Ferguson (R)	Y	Langer (R)	N	Byrd (D)	N
Smathers (D)	Y	Potter (R)	Y	Young (R)	Y	Robertson (D)	N
<b>GEORGIA</b>		<b>MINNESOTA</b>		<b>OHIO</b>		<b>WASHINGTON</b>	
George (D)	?	Humphrey (D)	X	Bricker (R)	Y	Jackson (D)	N
Russell (D)	N	Thye (R)	Y	Burke (D)	Y	Magnuson (D)	N
<b>IDAHO</b>		<b>MISSISSIPPI</b>		<b>OKLAHOMA</b>		<b>WEST VIRGINIA</b>	
Dworshak (R)	Y	Eastland (D)	Y	Kerr (D)	X	Kilgore (D)	Y
Welch (R)	N	Stennis (D)	Y	Monroney (D)	✓	Neely (D)	N
<b>ILLINOIS</b>		<b>MISSOURI</b>		<b>OREGON</b>		<b>WYOMING</b>	
Dirksen (R)	Y	Hennings (D)	N	Cordon (R)	Y	McCarthy (R)	?
Douglas (D)	X	Symington (D)	N	Morse (I)	N	Wiley (R)	Y
<b>INDIANA</b>		<b>MONTANA</b>		<b>PENNSYLVANIA</b>		<b>WYOMING</b>	
Capehart (R)	Y	Mansfield (D)	?	Duff (R)	Y	Barrett (R)	Y
Jenner (R)	Y	Murray (D)	N	Martin (R)	Y	Hunt (D)	Y





# committee roundup

(APRIL 16 - 22)

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## Committee Assignments

### ECONOMIC REPORT

**Committee.** Joint Committee on Economic Report. **Action.** Established April 15 two subcommittees to keep Congress informed on the "current recession." **Assignments.**

Rep. Jesse P. Wolcott (R Mich.), Chairman, named Sen. Ralph E. Flanders (R Vt.) to head a subcommittee on economic stabilization.

Rep. Henry O. Talle (R Iowa) was named Chairman of the subcommittee on economic statistics.

### Action

#### ARMY-McCARTHY

**Committee.** Permanent Investigations Subcommittee, Senate Government Operations.

**Action.** Continued preparations and accepted "ground rules" for a hearing (which began April 22 -- see below) into charges that Chairman Joseph R. McCarthy (R Wis.) and counsel Roy M. Cohn sought special Army treatment for former Subcommittee consultant Pvt. G. David Schine, and McCarthy counter-charges that the Army attempted to "blackmail" him into dropping a probe of alleged Communist infiltration of the Army. (For prior proceedings, see CQ Weekly Report, pp. 389, 426, 457, 489; also see page 516.)

Subcommittee ground rules for the probe were agreed upon April 20, and confirmed by the parent Government Operations Committee. Under the rules:

McCarthy, Cohn and regular Subcommittee staff head Francis P. Carr, as "principals" in the dispute, were given the same rights to cross-examine witnesses as were exercised by members of the Subcommittee.

The Army "principals" -- Secretary Robert T. Stevens, general counsel John G. Adams and Assistant Secretary of Defense H. Struve Hensel -- also were given the right to cross-examine witnesses.

McCarthy agreed to resign temporarily from Subcommittee membership, foregoing rights to participate in Subcommittee decisions or vote on any report.

McCarthy appointed Sen. Henry C. Dworshak (R Idaho) in his stead, as the Government Operations group voted 7-1 (Dworshak voting against) to confirm the McCarthy choice.

Subcommittee special counsel Ray H. Jenkins was given as much time as he might need, without interruptions by others, to question witnesses. Then each Subcommittee member, beginning with temporary Subcommittee Chairman Karl E. Mundt (R S.D.), would be

allowed to question individual witnesses for 10 minutes apiece, followed by questioning by the "principals." (The rotation procedure would continue until questioning of each witness had been completed.)

All questions were to be "relevant and material."

Mundt announced April 19 that the Subcommittee, by unanimous vote, had agreed to ask the Senate to vote the Subcommittee additional funds equal to the amount it would spend in the Army-McCarthy probe.

#### Other Developments

"Principals" McCarthy, Cohn and Carr filed a "bill of particulars," outlining their charges against the Army, with the Subcommittee April 20. The 5,000 word, 46-point document denied that any "improper pressure" was used to get favors for Schine.

McCarthy and his two Subcommittee aides charged that Hensel, who also is general counsel of the Defense Department, helped Adams write the Army's "bill of particulars" while he (Hensel) was "himself under investigation by the Subcommittee for misconduct and possible law violation." McCarthy's statement said the Hensel investigation concerned "his activities as a partner and dominant force in the organization of a ship supply firm" while he "occupied a top procurement post with the Department of the Navy." Hensel, the statement added, "had and has every motivation to act as he did in attempting to discredit the Subcommittee."

Hensel April 20 called the McCarthy charge a "bare-faced lie" and said he would sue if McCarthy repeated the charges without benefit of Senatorial immunity. (Secretary of Defense Charles E. Wilson said April 21 he believed Hensel to be a "competent, honest man." Mundt said April 21 he did not think McCarthy had the benefit of immunity from a libel suit in making the charges against Hensel.)

Mundt announced April 21 that any witness before the Subcommittee would be liable to a perjury charge if he gave false testimony.

Wilson and the Secretaries of the armed services replied April 19 to a McCarthy request for information on the number of requests and inquiries from Congress members concerning treatment given to members of the armed forces. Wilson said his office received 5,000 to 10,000 Congressional letters a year, and numerous phone calls. Stevens said the Army received more than 50,000 communications from Congress and from others. Navy Secretary Robert B. Anderson said his Department received 37,000 Congressional requests a year, and Air Force Secretary Thomas Talbott reported about 85,000 requests written and oral, from Congress members and the public. All four men said requests for "special" treatment were rare.

In a Houston, Tex., speech April 21, McCarthy charged that "devilishly clever" plans to change the rules of the Subcommittee so as to prevent its action against subversives were being supported by some "good men." (See page 510.) Later in the day, Subcommittee members John L. McClellan (D Ark.) and Henry M. Jackson (D Wash.), disputed the charge.

## ARMY-McCARTHY HEARING

### Testimony (April 22).

Mundt opened the hearing with a prepared statement, saying the Subcommittee would "follow the evidence wherever it leads ... (and) make a full and impartial effort to reveal that which is true and expose that which is false."

McCarthy demanded that the Army "principals" prosecute their cases as individuals, and not as the "Department of the Army." McCarthy said he had received protests from "Generals and newly inducted privates" against what he termed an effort to "disrupt our investigations," by cloaking his (McCarthy's) accusers with the Army's authority. After McCarthy raised the "point of order," McClellan asked that McCarthy strike from his "bill of particulars" the title of "Chairman." Mundt said the Subcommittee would rule on the two points of order later.

The first Army witness was Major Gen. Miles Reber, who testified that from July 17 to July 31, 1953, he received an average of two calls a day from Cohn regarding an officers commission for Schine. At that time, Reber was the Army's liaison officer with Congress. He is now commanding general of the Army forces in the Western European area.

Reber said he visited McCarthy's office on July 8, 1953, at the Senator's request, and that McCarthy told him he (McCarthy) was "very much interested" in getting a commission for Schine. Reber testified that the Transportation Corps, the Provost Marshal and the Chief of Psychological Warfare all found that Schine lacked qualifications for commissions in their units. Reber said that Cohn then asked if Schine could not get a commission in the Air Force or the Navy. In response to a question by Jenkins, Reber said he hadn't felt McCarthy was "high-pressuring me to any great extent," but that McCarthy wanted a "favorable answer."

Reber said it was common practice to get many calls from Congressmen regarding draftees, but said he had the feeling that Cohn was "persistently after me ... and that I was under definite pressure." But, Reber said, he was never "intimidated" by McCarthy or Cohn.

When all branches of the service had ruled Schine not qualified for a commission, Reber said he "started the machinery rolling" by putting Schine's name before the commanding general of the First Army at Governor's Island, N.Y., since Schine was a resident of New York. Reber said a special board was set up and that it decided about July 23, 1953, that Schine was not qualified to fill any existing vacancy.

McCarthy said Reber had been before the Subcommittee before when it asked for information on those "covering-up Communists." McCarthy said that he and Cohn intended asking Reber why he "refused to give us names of persons protecting Communists in the Army." McClellan broke in to say he would object to McCarthy's "testifying" unless the Wisconsin Republican were under oath.

McCarthy then asked if Reber knew his brother, Sam, had been "allowed to resign" by the State Department when charges were made against him that he was a "bad security risk." Reber said: "The answer ... is a positive no." He added that any difficulties his brother may have had (he didn't know of any) had nothing to do with his actions in the Schine case. Reber said his brother retired "as he was entitled to do upon reaching the age of 50."

Walter Bedell Smith, Under-Secretary of State, testified that Cohn had come to him on behalf of Schine. Smith said he inquired of Army and Central Intelligence Agency friends if a commission might be gotten for Schine. Smith said he did not regard Cohn's contact with him as improper.

Army Secretary Stevens testified he had been subjected to "persistent, tireless" efforts by McCarthy and Cohn on Schine's behalf. He said Cohn threatened to "wreck the Army," and see that Stevens was "through" as Secretary.

Stevens said that from July to March, 1953, Schine was discussed by McCarthy and "one branch or the other of the Army" more than 65 times by telephone and that in the same period, Schine was the subject of 19 meetings between Army personnel and McCarthy, or members of McCarthy's staff.

Stevens called "absolutely false" the McCarthy charge that Stevens tried to use Schine in an effort to "blackmail" the Subcommittee into dropping a probe of the Army.

## Other Action

### THIRD SUPPLEMENTAL

#### Committee. Senate Appropriations.

Action. Reported (S Rept. 1216) the House-passed Third Supplemental Appropriation bill (HR 8481) for fiscal 1954 with a \$442,348,741 money total. (April 20)

#### Background.

The House March 25 passed the supplemental funds bill with \$456,470,496 in appropriations. President Eisenhower's request to the House had totaled \$424,090,496. (CQ Weekly Report, p. 386). Budget estimates considered by the Senate Committee totaled \$430,458,241.

#### Provisions as the bill went to the Senate:

Legislative Branch	\$ 49,955
Judiciary	151,000
Justice Department	1,560,000
Commerce Department	55,034,541
Advisory Committee on	
Weather Control	30,000
Treasury Department	3,667,500
Labor Department	17,600,000
Department of Health,	
Education & Welfare	118,850,000
Agriculture Department	4,500,000
Interior Department	4,732,000
Housing & Home Finance Agency	10,800,000
Refugee Relief	750,000
U.S. Tax Court	25,000
Veterans' Administration	222,000,000
Department of the Army	1,045,000
Claims and Judgments	1,553,745
TOTAL	\$442,348,741

HEW funds recommended by the Senate group included \$55 million for school construction, and \$58 million for grants to states for public assistance. Proposed money for the VA was for compensation and pension payments, and for servicemen's indemnities. Of the Commerce Department appropriation, \$55 million was for federal-aid highways.

The Senate Committee bill also authorized an increase in the limitation for the emergency livestock feeding program, from \$40 million to \$50 million.

The Senate Committee also decided it would support, on the Senate floor, an amendment to make available \$15 million for "dust bowl" relief. This provision was not included in the Committee bill.

#### TAFT-HARTLEY

Committee. Senate Labor and Public Welfare.

Action. Formally reported (S Rept. 1211) April 15 a bill (S 2650) to amend the Labor-Management Relations Taft-Hartley Act of 1947. Vote 7-6, party-line.

Background.

For Senate Committee hearings, see CQ Weekly Report, pp. 74, 95, 131, 164, 188, 390, 425.

For comparison of Eisenhower recommendations, Senate Committee action and House Committee action, see CQ Weekly Report, p. 481.

For Eisenhower-Durkin-Taft comparison, see CQ Weekly Report, p. 68.

#### HOUSING PROBE FUNDS

Committee. Senate Rules and Administration.

Action. April 21 reported a resolution (S Res 229; S Rept. 1222) authorizing up to \$150,000 for the Senate Banking and Currency Committee investigation of alleged housing scandals. (See below.)

#### Hearings

##### HOUSING PROBE (CAPEHART)

Committee. Senate Banking and Currency.

Began hearings April 19 on alleged irregularities and abuses connected with Federal Housing Administration (FHA) handling of government-insured home repair and improvement loans, and mortgages on rental (apartment) projects. The hearings were touched off by an April 12 Administration announcement of an investigation by the Housing and Home Finance Agency (HHFA) into alleged scandals in FHA operations. (CQ Weekly Report, p. 479, also background section of this story.)

Testimony.

April 19. Lead-off witness Guy T. O. Hollyday said he had been fired by President Eisenhower as FHA Commissioner without knowing why. He said that as FHA chief he had taken steps to eliminate abuses in the government's home repair loan program, and that his new regulations "had the approval" of the President's Advisory Committee on Housing.

Clyde L. Powell, Assistant FHA Commissioner in charge of rental housing, was subpoenaed by the Senate group. He took the witness stand, but refused to answer any questions on his "constitutional privileges not to be a witness against" himself.

Daniel B. Maher, Powell's attorney, later issued a statement saying Powell had been suspended from his FHA job. He said he had advised Powell to invoke constitutional protection because the FHA is investigating "certain allegations" and "charges of irregularities" against Powell, but that Powell had been unable to find out what those charges were.

Arthur Frentz, Assistant FHA Commissioner for home repair loans, recommended to the Senate group that the program might be improved if banks were to receive less than full payment from FHA on defaulted loans. He said that way, banks would see to it that the loans were sound and the borrower obtained full value.

#### Programs Under Fire

FHA-insured home repair loans: Section Two, Title One of the National Housing Act of 1934, as amended, authorizes the FHA to insure loans made by qualified lending institutions for property repair and improvement.

Individuals can borrow up to \$2,500 for repair or improvement of existing single-family homes, with more than three years for repayment. Up to \$10,000 in FHA-insured home repair loans could be borrowed for multiple-family dwellings, with over seven years for repayment. By the end of 1952, the FHA had insured 14,321,172 section two property improvement loans totaling \$6,074,478,000.

The Charge. Housing Administrator Cole said many complaints had been received indicating that thousands of home owners allegedly had been cheated out of millions of dollars by "roving groups of high-pressure" home repair salesmen--"dynamiters"--who overcharged home owners for repairs made with FHA-insured loans, or induced them to make unnecessary repairs with such loans.

FHA-Insured mortgages on rental projects. Section 608, Title 6 of the National Housing Act of 1934, as amended, authorized the FHA to insure up to 90 per cent of mortgage loans by lending institutions for construction of rental (apartment) projects. This was an emergency housing program, set up in 1942, that ended March 1, 1950, after which date no new commitments could be made. Some projects are still under construction. By the end of 1952, 7,049 section 608 project mortgages, totaling \$3,441,186,000, had been insured by the FHA.

Under this program, FHA would estimate the cost of the project, and insure the mortgage accordingly. Rents for apartments in the project would then be based on the FHA valuation so they would be high enough to cover costs, including the mortgage loan and interest.

The charge. Housing Administrator Cole charged that cases had been found in which the FHA-insured mortgage loans far exceeded the actual cost of construction. He said the problem was to determine whether the FHA appraisers were guilty of "gross negligence or collusion."

How It Works. This is the way it has been alleged a builder could clean up: When the actual cost was less than the amount of the mortgage loan, the builder was not required to reduce rents, or use the difference to cut down his mortgage. The excess therefore would be a "windfall" he could pocket, while rents based on the higher valuation could be used to pay off the mortgage loan. If he failed to meet the mortgage payments, the lending institution could repossess the project, but the "windfall" would still be pocketed by the builder.

April 20. Albert M. Cole, HHFA Administrator, testified he recommended dismissal of Hollyday as FHA head because of FHA laxity in investigating and taking punitive action on complaints of abuses in the home repair loan program, and because Hollyday allowed to resign, with a "laudatory letter," a key FHA official of the rental-project housing program who was under investi-

gation for "gambling" and "demanding of money" from builders. Cole said he had warned Hollyday last August that the situation relating to large "windfall" profits of builders through FHA-insured mortgages for large housing projects was "likely to blow higher than a kite."

April 21. R. G. Hughes, president of the National Association of Homebuilders, said "much damage" already had been done to the FHA programs, and urged the Senate group to "reassure the American people that the FHA is a sound financing institution, deserving of public confidence."

Sen. Homer E. Capehart (R Ind.), chairman of the Banking unit, accused the homebuilders association of "trying to crucify this Administration" and his Committee in a release that Capehart said warned against a "circus atmosphere" that would give FHA a "false reputation."

Samuel E. Neel, general counsel for the Mortgage Bankers Association, said reasons given for firing Hollyday were "unbelievable" and added he "wondered" whether the real reason was Hollyday's opposition to a proposed housing reorganization. He also said a basic reason builders could make profits out of the postwar rental housing program was that the FHA tried to mix "promotion with underwriting" of loans and lost "sight of certain standards."

April 22. Capehart said a New York builder had "invested only \$1,000 and took out a profit of \$500,000" in a project constructed under an FHA-insured mortgage of \$4,466,000. The profit represented the difference between the cost of building the project and the mortgage.

#### Related Developments.

These were the related developments which preceded the start of congressional hearings on alleged housing scandals:

April 12. The Administration announced a pending probe by the Housing and Home Finance Agency into alleged "irregularities and abuses" in the FHA home repair loan and emergency rental housing construction programs.

April 13. Sens. Capehart and Harry Flood Byrd (D Va.), chairman of the Joint Committee on reduction of Non-essential Federal Expenditures, announced their groups would investigate the reported FHA scandals.

April 15. Sen. John J. Williams (R Del.) and 11 other Senators introduced a bill (S 3310) to extend to five years the present three year statute of limitations on the time within which certain criminal prosecutions may be started. (For hearing on bill, see page 519).

April 16. In an executive order issued from Augusta, Ga., President Eisenhower directed all agencies of the Federal Government, including the FBI, to cooperate fully with the Congressional and HHFA housing probes.

Democratic Sens. Paul H. Douglas (Ill.), Herbert H. Lehman (N.Y.) and Burnet R. Maybank (S.C.) said they would fight any attempt to focus the probe on alleged swindles in the apartment construction program which was in effect under Democratic Administrations, in order to divert attention from the current alleged scandals in the home repair loan program. All three are members of the Senate Banking unit.

April 19. President Eisenhower gave the Senate Banking Committee access to income tax, excess profits, capital stock, and estate and gift tax returns in connection with FHA-insured mortgages for construction of apartment projects under section 608 of the National Housing Act.

## HOUSING PROBE (BYRD)

Committee. Joint Committee on Reduction of Non-essential Federal Expenditures.

Hearing April 20 on charges of alleged "windfall" profits accrued by builders who constructed rental projects under FHA-insured mortgages at a cost less than the amount of the mortgage money, and kept the difference.

#### Testimony.

Internal Revenue Commissioner T. Coleman Andrews said the government might lose at least \$28 million as a result of "windfall" profits to builders under the now-defunct emergency rental project construction program. Andrews said his agency is probing 1,149 cases where private building corporations reaped more than \$65 million in profits by borrowing more than they spent on FHA-insured apartment project construction.

He said the Government stands to lose \$28 million in tax revenue because builders filed returns on the \$65 million on a capital gains tax basis instead of on a normal income tax basis. The capital gains tax rate is about 25 per cent, while normal income taxes in some cases would be above 75 per cent. Andrews said the Internal Revenue Service contends the "windfall" profits should be taxed as normal income.

Sen. Harry Flood Byrd (D Va.), chairman of the Joint Committee, said "no one can dispute" that FHA had insured mortgages "far in excess of project cost." He charged profiteering had hiked rents in some projects 15 to 25 per cent higher than normal because the rents were set to cover all costs, including the high FHA-insured mortgage loans. He said housing officials "guaranteed \$24 million in loans" on the Glen Oaks Village project, Queens County, New York City, although actual cost of the project was only \$20 million.

## HEALTH REINSURANCE

Committee. Health Subcommittee, Senate Labor and Public Welfare.

Continued hearings April 20 on several measures (S 93, S 1153 and S 3114) to help expand and finance voluntary health insurance plans. (For provisions and prior action, see CQ Weekly Report, p. 492.)

#### Testimony.

April 20. Sen. Leverett Saltonstall (R Mass.) favored enactment of S 3114, the Administration-requested bill to create a \$25 million reinsurance fund to help finance expanded coverage by private health plans.

Edwin J. Faulkner, president, Woodmen Accident Company, Lincoln, Neb., said S 3114 could lead to "socialized medicine." When Chairman William A. Purtell (R Conn.) reminded Faulkner the plan was entirely voluntary in nature, Faulkner said some future Administration "might use it to bring about nationalization" of medicine.

Dr. Allan M. Butler, Harvard University professor and vice chairman, Physicians Forum, Inc., said the pending bills would fail to meet the needs of the American people. He said Physicians Forum favored prepaid personal health services through social security contributions earmarked for that purpose.

Clarence Mitchell, National Association for the Advancement of Colored People, asked that an amendment prohibiting segregation be written into the legislation.



Purtell said the proposal will be given "serious consideration" by the Subcommittee.

April 21. John H. Miller, vice president, Monarch Life Insurance Company, Springfield, Mass., said he doubted the legislation would result in increased or expanded coverage.

Dr. John D. McNeel, medical director, Labor Health Institute, St. Louis, Mo., urged consideration of subsidy, grant or long-term loan aid to trade unions and other groups which may want to organize comprehensive, prepayment group health plans.

April 22. Joseph Curran, vice president, Congress of Industrial Organizations, said "thousands of people are dying and suffering unnecessarily" because "powerful insurance company and medical lobbies" have "stalled passage of health legislation." Curran called S 3114 a "step in the right direction," but "woefully inadequate."

#### TAX REVISION

Committee. Senate Finance.

Continued hearings on the House-passed general tax revision bill (HR 8300). (CQ Weekly Report, p. 490)

Testimony.

April 16. Glen McDaniel, president, Radio-Electronics-Television Manufacturers Association, urged elimination of the 10 per cent excise tax on radios and TV sets. He said this would mean a revenue loss of \$150 million annually. He said "ours is the only consumer products industry not receiving immediate or prospective tax reductions" under the Excise Tax Reduction Act of 1954 (P.L. 324) approved by Congress this year. (CQ Weekly Report, p. 417)

Sen. Russell B. Long (D La.) said he might propose an amendment to the pending tax revision bill to eliminate the 10 per cent excise tax on TV sets.

J. Walter Myers, Jr., executive secretary of the Forest Farmers' Association of Atlanta, Ga., urged inclusion of a provision to allow timber operators to make tax deductions for money spent for forest production, conservation or improvement, or for reforestation.

April 19. William Quinette, speaking for the Colorado Mining Association, urged an increase to 40 per cent in the depletion allowance on uranium. President Allan B. Kline of the American Farm Bureau Federation asked the Senate unit not to cut income taxes by boosting the personal exemption.

After the hearing, Sen. Walter F. George (D Ga.) said he might not be able to offer his proposal to increase the personal tax exemption from the present \$600 to \$800 in 1954, and to \$1,000 thereafter. He said he was leaving Washington on his doctor's advice and might not be present when the Senate Committee begins voting on the tax bill. He added other Senators undoubtedly would offer the amendment.

April 20. Roger Milliken, a director of the American Cotton Manufacturers Institute, called for more liberalized depreciation allowances to help business keep its equipment up-to-date, and to keep pace with foreign firms. In a statement filed with the Committee, Sen. Thomas H. Kuchel (R Calif.) recommended tax relief for individuals and industrial concerns which install equipment and make construction changes to cut down air pollution.

April 21. Fred Maytag, chairman of the tax committee of the National Association of Manufacturers,

gave "enthusiastic support" to the pending tax bill, and recommended cuts in the "excessive rates of individual, corporate and death taxes."

#### WIRE TAPPING

Committee. Special subcommittee, Senate Judiciary.

Began hearings on a House-approved measure (HR 8649) to authorize admission into evidence in federal courts of information obtained through wire tapping in cases involving the national security.

(For prior House action, and further provisions, see CQ Weekly Report, pp. 450-1.)

Testimony (April 20).

Attorney General Herbert Brownell, Jr., said the speed and secrecy needed to trap spies might be hampered by his having to secure permission from a federal judge for wire tapping. (The approval provision was voted by the House.) He asked that the Attorney General alone have authority to say where and when taps should be placed.

Brownell said he would have no objection to amending the bill to cover kidnapping and extortion cases, in addition to those involving national security. But, he added, he was not pressing for such an amendment.

#### STATUTE OF LIMITATIONS

Committee. Special Subcommittee of the Senate Judiciary.

Held hearings April 21 on S 1451 and S 3310 to extend from 3 to 5 years the time within which certain criminal prosecutions may be commenced.

T. Coleman Andrews, Commissioner of Internal Revenue, urged that the time limit for prosecution in tax cases be extended to six years.

Andrews also said that "pat-on-the-wrist" punishment for income tax law violators has reached the point where tax fraud was becoming "socially acceptable."

In response to a question by Sen. William Langer (R N.D.) on what could be done about light sentences, Andrews said the matter could be called to the attention of Chief Justice Earl Warren. He said there are nine judicial circuits, each headed by a member of the Supreme Court, and he suggested that their influence in favor of strict punishment for tax fraud would bear weight with district judges.

Langer said a copy of Andrews' testimony would be forwarded to the Chief Justice.

#### POSTAL RATES

Committee. Senate Post Office and Civil Service.

Held one-day hearing April 22 on S 2836 to readjust postal rates. (For House committee action reporting favorably an identical bill, HR 6052, see CQ Weekly Report, p. 254.)

Testimony. Postmaster General Arthur E. Summerfield asked for a \$250 million increase in postal rates.

Summerfield said that unless mail rates are increased, taxpayers may have to foot the bill for a record \$750 million annual postal deficit within a few years.

His budget now calls for a \$324 million deficit in fiscal 1955, starting July 1, he said.

S 2836 provides a 4-cent rate for non-local first class mail, a 7-cent airmail rate, an average 7 per cent increase in the second class rate applying to newspapers

and magazines, and a \$56 million increase in revenues from third class mail, mostly advertising matter.

#### FARM PROGRAM

Committee. Senate Agriculture and Forestry.  
Concluded hearings April 21 on S 3052, to carry out most of the Administration's farm program requests. (CQ Weekly Report, p. 492.)

##### Testimony.

Secretary of Agriculture Ezra Taft Benson testified that he would prefer a Presidential veto or even no new farm legislation this session by Congress to any continuance of present high-level supports.

Benson said the only possible arguments for increasing present huge farm surpluses or reserves would be the unlikely prospects of "a 10-year drought or 10 hydrogen bombs."

#### ARMED SERVICES

Committee. Senate Armed Services.

Held hearing April 22 on a House-passed bill (HR 6573) to provide for the promotion of reserve officers. (CQ Almanac, Vol. IX, 1953, p. 274.)

##### Testimony.

Assistant Secretary of Defense John A. Hannah criticized the House-passed HR 6573, saying it had never been approved by the Defense Department. He asked the Committee to delay action on the bill until the Defense Department presented its own program for revision of the draft and reserve training laws.

Hannah said the new program was near final approval by President Eisenhower, the National Security Council and the Joint Chiefs of Staff. According to Hannah, the new program would:

Require thousands of men in the age 18-26 draft bracket to take six months of active duty and then be required to attend regular drills and active training under reserve units.

Require that men completing two years or more active service continue to attend regular national guard training for most of the eight years now obligated.

Establish a new set of limits on the size of both regular and reserve forces of all services.

#### JUVENILE DELINQUENCY

Committee. Subcommittee on Juvenile Delinquency of the Senate Judiciary.

Continued Hearings on its probe of juvenile crime. (CQ Weekly Report, p. 493.)

##### Testimony (April 21).

Richard Clendenen, a Washington, D. C. social worker and staff director of the Subcommittee, told the group that 10 million "sadistic" comic books were sold each month. He said that among experts there was "substantial agreement" that reading crime comics would not cause a "'well-adjusted and well-socialized" boy or girl to commit a crime but that such magazines may "give support and sanction" to disturbed children for "acting out their feelings of aggression."

William Gaines, president of the Entertaining Comics Group, testified that "delinquency is a product of the real environment in which a child lives-- and not of the fiction he reads."

## Appropriations

#### AIR FORCE

Subject. The House Appropriations Subcommittee on the Air Force April 17 made public testimony given in closed sessions on the Air Force budget and program for fiscal 1955.

##### Testimony.

Air Force officials reported the dismissal in 1953 of 54 uniformed personnel and 24 civilians charged with Communist affiliations. The Air Force said another 150 military personnel were separated "for somewhat closely related reasons," and that 811 military cases are currently being investigated.

Air Force officials testified that: the Air Force was planning a "native son" project in which 43,000 uniformed personnel stationed overseas would be replaced by 31,000 native civilians; and U.S. progress toward an adequate air defense would be "very gradual" rather than "dramatic."

#### DEFENSE DEPARTMENT

Subject. The House Appropriations Subcommittee on the Armed Services April 19 released testimony given at closed sessions on the Defense Department budget for fiscal 1955.

##### Testimony.

Secretary of Defense Charles E. Wilson testified that the Defense Department planned to spend \$3.7 billion in fiscal 1955 for Continental defense. The money would go for such items as radar, antiaircraft weapons, and interceptor planes. Wilson also said:

The Defense Department planned to bring more troops back from the Far East "as conditions permit."

Reports to Washington so far showed that 118 "security risks" were fired or resigned in 1953. Of these, 111 cases "involved actual or alleged membership in the Communist Party, or affiliation or sympathetic association" with Communism. The reports are not yet complete.

Other testimony by Department officials disclosed that draft calls in 1955 were expected to run between 25,000 and 35,000 men a month.

#### ARMY BUDGET

Subject. The House Appropriation Subcommittee on the Army April 15 released a transcript of closed hearings on the Army budget for fiscal 1955.

##### Testimony.

Gen. Matthew B. Ridgway, Army Chief of Staff, testified that Secretary of State John Foster Dulles' announcement that aggression would be met by instant U.S. retaliation would raise "serious apprehensions" in the Western world. He also said the "new look" defense budget would cut down the fighting effectiveness of U.S. ground forces.

Secretary of the Army Robert T. Stevens said the original Army budget of more than \$10 billion submitted to the Joint Chiefs of Staff had been reduced to an \$8.2 billion request. He said the cut would reduce manpower strength from 1,407,200 to 1,164,000, and cut U.S. ground forces from 19 divisions to 17 divisions.

Maj. Gen. Robert W. Colglazier, Deputy Assistant Chief of Staff and Lt. Gen. Williston B. Palmer, Assistant



Chief of Staff, described Army plans to level off spending for new weapons and ammunition from \$5,615,000,000 in 1954 to about \$2 billion each year for a 15-year period after 1957.

#### INDEPENDENT OFFICES

**Subject.** The Senate Appropriations Subcommittee on Independent Offices continued hearings on fiscal 1955 appropriations. (CQ Weekly Report, p. 494)

**Background.** The House March 31 passed the Independent Offices Appropriation bill (HR 8583) for fiscal 1955 with a money total of \$5,566,118,763. (CQ Weekly Report, p. 418)

##### Testimony.

April 16. Dr. Jerome C. Hunsaker, chairman of the 17-member National Advisory Committee for Aeronautics, said the \$53,349,000 voted by the House for his group in fiscal 1955 would force a "drastic" curtailment of basic research on "high-speed" aircraft. He urged approval of an additional \$3,378,750.

J. Monroe Johnson, chairman of the Interstate Commerce Commission, said the ICC April 6 had voted 9-2 to refuse the request made by the New York Central Railroad for an ICC investigation of the purchase by two Texas millionaires of 800,000 shares of New York Central stock. Sen. Everett McKinley Dirksen (R Ill.) asked for data on the informal ICC probe that preceded rejection of the railroad's request.

April 19. Gordon R. Clapp, chairman of the Tennessee Valley Authority, said TVA power operations would be jeopardized if the fiscal 1955 appropriation voted by the House was not increased. The budget request totaled \$141.8 million. The House granted \$103,582,000. Clapp also said the TVA area faces a serious power shortage in 1957 if money isn't provided for construction starts on new steam plants. The House bill carries no funds for new TVA construction.

April 21. Albert M. Cole, head of the Housing and Home Finance Agency, asked Congress for \$100,000 to investigate past mismanagement and irregularities in housing operations (see story page 517), and another \$150,000 for a permanent investigating unit in the HHFA.

Cole also said an amendment voted by the House, which would limit use of funds for residential slum clearance projects to the facilities "normally essential for residential uses," would jeopardize about 82 slum clearance projects planned for 1955. He said it would also threaten projects involving \$100 million in federal funds planned for future years. (CQ Weekly Report, p. 419)

#### CONFIRMATIONS

The Senate has confirmed the following nominations:

Laurence B. Robbins of Illinois, Administrator, Reconstruction Finance Corporation (April 19)  
Thomas Potter Pike of California, Assistant Secretary of Defense (April 19)  
Wilbur M. Brucker of Michigan, general counsel, Department of Defense (April 19).

#### NEBRASKA'S NEW SENATOR

Gov. Robert B. Crosby (R Neb.) appointed a seasoned veteran at politics and ranching to the Senate April 16 when he tapped Mrs. Eva Kelly Bowring, 62, Merri-man, Neb., ranchwoman, to fill the vacancy caused by the death of Dwight Griswold (R). (See pages 522, 523.)

When Crosby first offered her the Senate appointment, Mrs. Bowring refused it. She later reconsidered because she had frequently counselled women, "when a (political) job is offered to you, take it. Men can refuse, but women are increasingly important in political life." She does not plan to run for election.

Mrs. Bowring became interested in politics many years ago when her second husband, the late Arthur Bowring, served in the state legislature. Bowring owned a 13,000-acre-ranch near Merriman and on his death in 1944 Mrs. Bowring took over its management. In 1946 she became GOP state vice chairman, after previously serving as GOP county chairman and GOP finance chairman of Cherry county. In recent years she has served not only as vice chairman of the Nebraska Republican Central Committee but also as chairman of its women's division.

Mrs. Bowring worked for the election of President Eisenhower in 1952 and has tried to steer clear of party factionalism in her state. She calls herself a "forward looking Republican" and plans to support the Eisenhower program while reserving the right to disagree with the President should their views be in conflict. Mrs. Bowring said she planned to be sworn in "as soon as I can kiss my cows goodbye."

#### TWO WOMEN IN SENATE

Mrs. Bowring will be the first woman to represent Nebraska in Congress and will be the second woman to sit in the Senate during this Congress. Since 1949 Mrs. Margaret Chase Smith (R Maine) has been the only woman Member of the Senate.

Mrs. Bowring is the eighth woman, the fourth Republican woman, to sit in the Senate. Mrs. Rebecca Latimer Felton (D Ga.), the first woman to ever sit in the Senate, served by appointment for only 24 hours, from Nov. 21-22, 1922. Others who have served by appointment were Mrs. Rose Long (D La.) in 1936, Mrs. Dixie Bibb Graves (D Ala.) in 1937, Gladys Pyle (R S.D.) in 1938, and Mrs. Vera C. Bushfield (R S.D.) in 1948. Mrs. Long filled the unexpired term of her husband, the late Sen. Huey P. Long (D La.), and Mrs. Bushfield the unexpired term of her husband the late Sen. Harlan J. Bushfield (R S.D.).

Mrs. Smith and Mrs. Hattie Caraway (D Ark.) are the only women ever elected to the Senate. Mrs. Smith was elected in 1948, and is seeking re-election this year. Mrs. Caraway was appointed in November, 1931, to fill the unexpired term of her husband, the late Sen. Thaddeus H. Caraway (D Ark.), and was elected in 1932 and re-elected in 1938.



(APRIL 16 - 22)

## political notes

## NEW JERSEY PRIMARY

Rep. Charles R. Howell (D) and former Rep. Clifford P. Case (R) were nominated without opposition for the Senate, and 12 of the 14 members of the New Jersey House delegation were renominated in the New Jersey primary April 20. Sen. Robert C. Hendrickson (R), Rep. Edward J. Hart (D) and Howell did not seek reelection.

The voter turnout, like that in Illinois the preceding week, was extremely light, primarily because the leaders in both parties took the precaution of eliminating most competition prior to the primary. (CQ Weekly Report, p. 495). There were only eight contests for major party nominations to the 14 House seats. Only three incumbents, Republicans William B. Widnall and Frank C. Osmers, Jr., and Democrat Alfred D. Sieminski, had primary opposition. All three won.

## THOMAS' COMEBACK ATTEMPT

In the Seventh District, Widnall snowed under former Rep. J. Parnell Thomas (R) by a vote of 34,972 to 4,520. Thomas campaigned as a "1,000 per cent McCarthy candidate" in favor of the Communist-hunting activities of Sen. Joseph R. McCarthy (R Wis.). Chairman of the House Committee on Un-American Activities in the 80th Congress, Thomas was convicted in 1949 of accepting Congressional payroll kickbacks and was subsequently pardoned by former President Truman. Widnall said after the race: "I think a stronger candidate than Thomas would have done better on a McCarthy platform. I campaigned as a supporter of President Eisenhower, and I believe the vote reflects confidence in what he has been doing."

In the Ninth District Osmers, running with the backing of the Bergen county GCP organization, defeated Robert S. Tipping of Englewood, former Bergen sheriff and surrogate, by a vote of 22,279 to 5,162. In the Thirteenth District Sieminski defeated Joseph H. Burgess, former vice president of the Hudson County AFL Central Labor Union, 28,418 to 3,754.

## CLOSE RACES

Sixth and Fourth District contests were closer. In the Sixth, Fred E. Shepard, Elizabeth attorney and an ardent supporter of the late Sen. Robert A. Taft (R Ohio), nosed out six other candidates for the GOP nomination, leading by only 65 votes. His nearest opponent was F. V. Lowden of Hillside, former Union County GOP chairman and a strong Eisenhower supporter. Shepard will be pitted against Rep. Harrison A. Williams, Jr. (D) in November. Williams scored a major upset in a special Congressional election in the traditionally GOP Sixth last year as an advocate of the legislative record of Case, the District's veteran Congressman who had resigned to head the Ford Foundation's Fund for the Republic. Prior to the primary Case promised to back the GOP nominee, whoever he might be, in the fall campaign. In the Fourth District Frank Thompson, Jr., of Trenton,

## The Winners

N. J. Primary--April 20

Republicans

Democrats

## SENATE\*\*

Clifford P. Case\*

Rep. Charles R. Howell

## HOUSE

- |                         |                      |
|-------------------------|----------------------|
| 1. CHARLES A. WOLVERTON | J. Frank Crawford    |
| 2. **T. MILLET HAND     | Clayton A. Burdick   |
| 3. JAMES C. AUCHINCLOSS | Charles F. Sullivan  |
| 4. William G. Freeman   | Frank Thompson, Jr.  |
| 5. PETER FRELINGHUYSEN  | Luther H. Martin     |
| 6. **Fred E. Shepard    | HARRISON A. WILLIAMS |
| 7. WILLIAM B. WIDNALL   | Eugene E. Demarest   |
| 8. **GORDON CANFIELD    | Charles S. Joelson   |
| 9. FRANK C. OSMERS, JR. | Walter J. O'Connell  |
| 10. William E. McGlynn  | PETER W. RODINO, JR. |
| 11. **Philip Insabella  | HUGH J. ADDONIZIO    |
| 12. **ROBERT W. KEAN    | Martin S. Fox        |
| 13. **Norman H. Roth    | ALFRED D. SIEMINSKI  |
| 14. **Vincent J. Dellay | T. James Tumulty     |

Incumbents listed in capital letters

\*--Former Congressman

\*\*--Third party candidates also in race

state assembly minority leader, won the Democratic nomination by only 1,257 votes in a three-way race.

Politicians in New Jersey and Washington were impressed by two results of the New Jersey primary. One was that Case, an Eisenhower supporter, ran about 75,000 votes behind the total GOP vote cast, which some Republicans said was an indication that the Taft faction of the Party had failed to back him. The other was the overwhelming approval by the state's municipalities of the playing of bingo and the staging of raffles. Former Gov. Alfred E. Driscoll (R) had been opposed to bingo, and the Democrats made his opposition a big issue in winning the 1953 gubernatorial campaign.

## NEW SENATOR NAMED

Mrs. Eva Kelly Bowring, 62, Merrimam, Neb., ranch operator, vice chairman of the Nebraska Republican Central Committee and chairman of its women's division, was appointed by Gov. Robert B. Crosby (R) April 16 to fill the vacancy in the Senate created by the death April 12 of the late Sen. Dwight Griswold (R). (CQ Weekly Report, p. 480.) She will not seek election in November. (For background, see page 521.)

She will serve until the results of the November election are certified. Under Nebraska law no one can run for two offices on the same ballot, and so there will be Senate races in November for two terms, the "short-

short" term from November to January to fill the remainder of the unexpired six-year term, and for a full six-year term beginning in January. Only S. E. Torgerson (R) of Kimball has announced for the "short-short term."

Gov. Crosby and Rep. Carl T. Curtis (R) have filed for the long term. Other announced candidates on the Republican ticket are former Rep. Terry Carpenter of Scottsbluff, an ex-Democrat who is now a Republican; Walter A. Nielsen, Omaha attorney and businessman; and GOP State Chairman David T. Martin of Kearney. Former State Sen. Joseph V. Benesch (D) of Omaha has filed on the Democratic ticket.

Nebraska will have had five Senators in six years by the end of the term to which Kenneth S. Wherry (R) was elected in 1948. Wherry died in 1951, and Fred A. Seaton, Hastings newspaper publisher, now Assistant Secretary of Defense, served by appointment from Dec. 10, 1951, until Nov. 4, 1952, when Griswold was elected to fill Wherry's unexpired term. Mrs. Bowring and still another Senator to be elected in November will complete the term.

## POLITICAL BRIEFS

Adlai E. Stevenson left a Chicago hospital April 20 after an operation to remove a kidney stone. In view of what he called the conflicting statements made recently by the President, Vice President Nixon and Secretary of State Dulles on foreign affairs, Stevenson said "what is needed is a little lockjaw." He pledged his fullest support to Sen. Paul H. Douglas (D Ill.) in the latter's bid for re-election to the Senate.

Senate Republican Leader William F. Knowland (Calif.) predicted April 18 that the Eisenhower Administration would be able to get about 72 per cent of its legislative requests through this Congress. Sens. Estes Kefauver (D Tenn.) and Russell B. Long (D La.) doubted that the GOP batting average would be that high.

Sen. A. S. Mike Monroney (D Okla.) said April 19 that the Administration would have "only a token part" of its legislative program through Congress by the session end, so that GOP candidates would have little to stand on except promises.

The Democratic National Committee has just issued a new "Vote Winner's Notebook," for Democratic party workers giving pointers on all types of organization work, such as "aids to registration drives" and the "coffee hour." The book explains that politics is for everyone, not only for "the professionals," according to Mrs. Katie Louchheim, director of women's activities.

Former President Herbert Hoover April 17 called for a halt in tax-cutting for the present and for stronger efforts to reduce government expenditures on the ground that next year's federal budget deficit may reach \$7.5 billion or more. He said that "the disciples of more spending and still lower taxes are having their way," and that a continuing inflationary policy is "the surest road to disaster in our society of free men."

## STATE ROUNDUP

**CALIFORNIA:** Bill Costley (D) of Van Nuys, running with the endorsement of the Democratic District Council, is a candidate for Congress from the 22nd district now represented by Rep. Joe Holt (R).

**CONNECTICUT:** A committee to "draft" former Gov. Chester Bowles (D) as Democratic nominee for governor was formed in Hartford April 17. Bowles has indicated he is "available" for the Democratic nomination but does not plan to make a fight for it. The "draft" move got underway as word spread through Democratic ranks that former Rep. Abraham A. Ribicoff (D) of Hartford is out in front for the nomination.

**COLORADO:** Alva B. Adams, Pueblo businessman, son of the late Sen. Alva B. Adams (D) and grandson of the late Gov. Alva Adams (D), announced April 15 his candidacy for the Democratic nomination for the Third District, now represented by Rep. J. Edgar Chenoweth (R). Two other Democrats are also in the race. (CQ Weekly Report, p. 465)

**MAINE:** Paul Fullam, professor of Colby College, announced April 17 that he would run for the Senate this year on the Democratic ticket.

**MARYLAND:** Those who filed for Congress just before the deadline April 19 were former Rep. William P. Bolton (D) in the Second District, Rep. Edward A. Garmatz (D) Third; Arthur W. Sherwood (R) Fourth; John S. White (D) and Paul Menk (D) Fifth; Edward J. Rayn (D), Sixth; and Edward C. Dukehart (R), Seventh.

**MICHIGAN:** Gov. A. Mennen Williams (D), three-term governor of Michigan, announced April 20 that he would seek a fourth term. Former Sen. Blair Moody (D), who was appointed by Williams to the Senate in 1951 and failed to win election in 1952, announced April 22 that he would again be a candidate for the Senate. Moody is now publisher of a weekly newspaper in Detroit and has a TV program, "Meet Your Congress."

**NEW YORK:** Gov. Thomas E. Dewey (R) April 19 signed into law bills to permit direct election of party district leaders in New York City and to simplify the procedure for nominating candidates--a change expected to improve the chances of electing a Republican mayor in New York City.

**TEXAS:** Gov. Allan Shivers (D), two-term governor of Texas and 1952 supporter of Dwight D. Eisenhower for the Presidency, announced April 19 that he was a candidate for a third term.

**SOUTH DAKOTA:** David G. Wickins (R), Avon rancher and former official of the Department of Agriculture, announced April 9 his candidacy for the Senate seat now held by Sen. Karl E. Mundt (R).

**WEST VIRGINIA:** Mrs. Davis Elkins (R), wife of former Sen. Davis Elkins (R), filed April 17 as a candidate for Congress from the Second District now represented by Rep. Harley O. Staggers (D). Mrs. Elkins is running without the endorsement of the GOP county chairmen in the district, who are backing Albert M. Morgan (R) of Morgantown. State Republican Chairman James O. Lakin of Charleston has threatened legal action to keep her off the ballot.

## ALABAMA SENATE CONTEST

In the Alabama primary May 4, Rep. Laurie C. Battle (D), 41, a four-term Congressman from Birmingham, is challenging Sen. John J. Sparkman (D), 54, a veteran of 10 years in the House and eight in the Senate, for the Democratic nomination for the Senate.

Rear Adm. John G. Crommelin, Jr., (ret.) of Wetumpka and William C. Irby, Jacksonville attorney, also are in the race. Crommelin retired from the Navy in June, 1950, following criticism of armed forces unification policies, and that year was an unsuccessful independent candidate for the Senate against Sen. Lister Hill (D) who received 76.5 per cent of the vote. Irby is running on a platform of a year's moratorium on payment of taxes.

Sparkman, 1952 Vice Presidential nominee on the Democratic ticket, is campaigning on his record and against the Republican Administration, and is challenging Battle primarily on the latter's votes on rural electrification and what Sparkman regards as a latter-day interest in farm issues. Battle has made civil rights the overriding issue in the campaign.

### SPARKMAN'S RECORD

Son of a tenant farmer, Sparkman was a country lawyer prior to his election to the House in 1936. He was House majority whip when elected to the Senate on Nov. 5, 1946, to fill out the term of the late Sen. John H. Bankhead (D). In the Senate, he is a member of Banking and Currency, Foreign Relations, and Small Business Committees and of the Joint Committee on the Economic Report. He has sponsored much housing legislation, including measures dealing with farm and veterans' housing and slum clearance, and is co-author of the rural telephone law.

Sparkman generally supported Roosevelt and Truman foreign and domestic policies but has differed with the Eisenhower Administration, particularly on its program for flexible price supports, which he opposes and its power policies, which he feels are detrimental to rural cooperatives and the Tennessee Valley Authority. Sparkman split with past and present administrations on the civil rights issue. He favored the Marshall Plan and NATO, reciprocal trade, extension of social security, strong defense and a continuation of selective service and minimum wages. He voted for the (Taft-Hartley) Labor-Management Relations Act of 1947, but voted against overriding the President's veto of the measure and against prohibiting the union shop. He has supported health and welfare measures.

### BATTLE'S BACKGROUND

Laurie C. Battle, son of a Methodist minister, graduate of Birmingham-Southern College, and World War II veteran (Army), was elected from the Ninth District in 1946, and soon won a seat on the House Foreign Affairs Committee. He has been particularly interested in legislation dealing with foreign policy, and is the author of the Battle Act (Public Law 213--82nd Congress), designed to cut off U.S. aid to any nation selling war materials to the Soviet bloc. He is interested in education legislation, particularly federal aid "without federal control."

## CQ Scorecard

Here is a comparison of the voting records of Sen. John J. Sparkman and Rep. Laurie C. Battle, Alabama Democrats, for full sessions since Battle became a Member of Congress in 1947:

	Party Unity		Bipartisan Support		On The Record	
	Sparkman	Battle	Sparkman	Battle	Sparkman	Battle
80th	96%	90%	86%	90%	90%	85%
81st	96	72	83	75	95	95
82nd	97	72	78	92	88	88
1953	93	87	80	88	96	89

Additional statistics for the first session of the present Congress (1953) only:

	Sparkman	Battle
Party Voting	82%	77%
Voting Participation	93%	89%
Eisenhower Support		
"Relative"	54%	52%
"Effective"	51%	50%

For definitions and basis of calculations, see CQ Almanac, 1953, Vol. IX, pp. 77, 92, 99.

Battle supported the major foreign aid programs but favored cuts in some. He favored Taft-Hartley, has opposed civil rights legislation. Although he favors TVA, he voted in 1951 to bar use of funds for the construction of power transmission facilities within areas covered by power wheeling contracts serving federal and preferred customers.

Battle's Party-Unity score in 1953 was 87 per cent, while Sparkman's was 93 per cent, according to Congressional Quarterly. Sparkman's Bipartisan-Support score in 1953 was 80 per cent; Battle's 88 per cent. Battle went On The Record 89 per cent of the time in 1953; Sparkman, 96 per cent of the time.

### THE ISSUES

Battle has concentrated on Sparkman's civil rights views, claiming they vary depending on which side of the Mason-Dixon line he is at the time. Sparkman was a member of the committee at the 1952 Democratic convention which drafted the compromise civil rights plank in the Party platform--a plank which Battle has said is favorable to an FEPC and opposed to segregation (CQ Almanac, Vol. VIII, 1952, pp. 501-2.). Sparkman has deplored this "play on racial prejudice," claims it is a "smoke screen" put up by the Battle forces to obscure his record, says he has opposed all civil rights measures which came to a vote.

Endorsed by labor and backed by Sen. Hill, Sparkman claims he is an "around the clock" Democrat and that Battle is backed by "Eisenocrats," Dixiecrats and GOP monied interests. Battle says "false implications" have been made about his farm record, party loyalty and backing, has promised to represent Alabama as a "true Southern Democrat" and to seek a place on the Senate Agriculture Committee.





(APRIL 13 - 20)

## summary of legislation (APPENDIX)

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## Bills Acted On

**EXPLANATORY NOTE:** Bills and resolutions which during this period have been approved and reported by committees to the floor of either house, or have been passed by either house, are listed below in numerical order. The summary gives, in order listed, number of bill, description, sponsor, nature and date of action. Action was by voice vote unless otherwise indicated.

Simple resolutions (S Res or H Res) are completed when adopted by the chamber in which they originate. They do not become law.

Concurrent resolutions (S Con Res or H Con Res) are completed when adopted by both houses. They do not become law.

Joint resolutions (S J Res or H J Res) and bills (S or H R) must be passed by both houses and are then sent to the President. They become law when signed by the President, or become law without his signature after 10 days, unless he vetoes.

CQ's Summary Of Legislation appears weekly while Congress is in session, as an appendix at the back of CQ Weekly Report. Pages are numbered consecutively throughout the year and to distinguish appendix pages from other Weekly Report pages, each appendix page number is preceded by an A.

## 1. Sent To President

- S J Res 130. Provide for a National Mental Health Week. SMATHERS (D Fla.) and other Senators. Senate Judiciary reported March 29. Passed Senate on call of calendar April 5. House adopted April 14.
- HR 3477. Extend to Canal Zone Government and Panama Canal Company the provisions of act facilitating the settlement of accounts of certain deceased government officers and employees. HART (D N.J.) House Government Operations reported Jan. 20. Passed House Jan. 21. Senate Government Operations reported April 6. Passed Senate on call of calendar April 19.
- HR 5627. Increase limitation on the total sums expended annually for graduate study for professional personnel of the National Advisory Committee for Aeronautics. SHORT (R Mo.). House Armed Services reported Feb. 16. Passed House on consent calendar March 1. Senate Armed Services reported April 6. Passed Senate on call of calendar April 19.
- HR 6436. Amend the Communications Act of 1934 re jurisdiction of Federal Communications Commission over certain companies. O'HARA (R Minn.). House Interstate and Foreign Commerce reported July 23. Passed House on consent calendar July 30, 1953. Senate Interstate and Foreign Commerce reported March 24, 1954. Passed Senate amended on call of calendar April 5. House agreed to Senate amendments April 14.
- HR 7103. Establish limitations on the numbers of officers who may serve in various commissioned grades in the Army, Navy, Air Force, and Marine Corps. ARENDS (R Ill.). House Armed Services reported Feb. 22. Passed House March 11. Senate Armed Services reported April 15. Passed Senate on call of calendar April 19.
- HR 7402. Provide for the conveyance of certain real property to the city of St. Joseph, Mich. HOFFMAN (R Mich.). House Government Operations reported Feb. 17. Passed House on consent calendar March 1. Senate Government Operations reported April 5. Passed Senate on call of calendar April 19.

- HR 8127. Authorize appropriations to continue construction of roads and highways. MCGREGOR (R Ohio). House Public Works reported March 4. Passed House March 8. Senate substituted text of S 3184 and passed April 7. House adopted conference report on 134-9 division vote April 14. Senate adopted conference report April 14.
- HR 8539. Extend the period of election under the Uniformed Services Contingency Option Act of 1953 for certain members of the uniformed services. SHORT (R Mo.). House Armed Services reported March 31. Passed House on consent calendar April 5. Senate Armed Services reported April 8. Passed Senate on call of calendar April 19.
- H J Res 347. Grant Congressional consent to an agreement between the states of Alabama and Florida establishing a boundary between such States. SELDEN (D Ala.). House Judiciary reported March 9. Passed House on consent calendar March 15. Senate Judiciary reported April 5. Senate adopted April 15.

## 2. Senate Bills And Resolutions

## FLOOR ACTION IN EITHER HOUSE

- S 22. Validate certain payments for accrued leave made to members of the armed forces who accepted discharges for the purpose of immediate reenlistment. MCCARRAN (D Nev.). Senate Armed Services reported April 6. Passed Senate on call of calendar April 19.
- S 796. Permit charging of tolls on certain highways constructed with federal aid. BUSH (R Conn.). Senate Public Works reported July 29, 1953. Senate indefinitely postponed April 20, 1954.
- S 932. Equalize the treatment accorded to commissioned officers of the Veterinary Corps with that accorded to commissioned officers of other corps of the Army Medical Service. HUNT (D Wyo.). HENDRICKSON (R N.J.). Senate Armed Services reported April 5. Passed Senate on call of calendar April 19.
- S 1754. Amend the Dependent's Assistance Act of 1950 to provide punishment for fraudulent acceptance of benefits thereunder. SALTONSTALL (R Mass.). Senate Armed Services reported April 6. Passed Senate on call of calendar April 19.
- S 1878. Amend the War Risk Insurance Statute to change the method of determining the amount paid for loss of any vessel covered by war risk insurance. MAGNUSON (D Wash.). Senate Interstate and Foreign Commerce reported April 15. Passed Senate on call of calendar April 19.
- S 2407. Amend the Ship Mortgage Act of 1920 re foreign-ship mortgages. POTTER (R Mich.). MAGNUSON (D Wash.). Senate Interstate and Foreign Commerce reported April 15. Passed Senate on call of calendar April 19.
- S 2814. Amend section 4153 of the Revised Statutes re computation of net tonnage on certain vessels. BRICKER (R Ohio). Senate Interstate and Foreign Commerce reported April 15. Passed Senate on call of calendar April 19.
- S 3197. Authorize the acceptance of conditional gifts to further the defense effort. MCCARTHY (R Wis.). Senate Government Operations reported April 6. Passed Senate on call of calendar April 19.
- S 3255. Provide for the care of members of the Coast Guard and their dependents in naval hospitals. HENDRICKSON (R N.J.). Senate Armed Services reported April 5. Passed Senate on call of calendar April 19.

## COMMITTEE ACTION IN EITHER HOUSE

- S 2650. Amend the Labor-Management Relations Act of 1947 to make general revisions in the labor law. SMITH (R N.J.). Senate Labor and Public Welfare reported April 15.
- S 2870. Provide for termination of federal supervision over property of certain Indian tribes in Utah. WATKINS (R Utah), BENNETT (R Utah). Senate Interior and Insular Affairs reported April 20.
- S 2742. Make certain provisions re payments out of Ute Indian tribal funds. WATKINS (R Utah). Senate Interior and Insular Affairs reported April 20.
- S 2802. Encourage further the distribution of fishery products in the development of research programs and increased markets. SALTONSTALL (R Mass.). Senate Interstate and Foreign Commerce reported April 14.
- S Res 214. Authorize the Senate Foreign Relations Committee to make a full and complete study of technical assistance and related programs. MANSFIELD (D Mont.). Senate Foreign Relations reported April 9. Referred to Senate Rules and Administration April 19.

S Res 229. Authorize the expenditure of \$250,000 by the Senate Banking and Currency to conduct an investigation of housing. CAPEHART (R Ind.). Senate Banking and Currency reported April 19. Referred to Senate Rules and Administration April 19.

S Res 233. Continue until Jan. 31, 1955 the authority of the Interior and Insular Affairs Committee to study fuel reserves and formulate a fuel policy for the U.S. BUTLER (R Neb.). Senate Interior and Insular Affairs reported April 20.

### 3. House Bills And Resolutions

#### FLOOR ACTION IN EITHER HOUSE

HR 232. Provide for the conveyance to the State of Indiana of certain real property situated in Marion County, Ind. BROWNSON (R Ind.). House Government Operations reported Feb. 17. Passed House on consent calendar March 1. Senate Government Operations reported April 6. Passed Senate amended on call of calendar April 19.

HR 6342. Amend Public Buildings Act of 1949 re acquisition of real property and construction of public buildings for housing federal agencies including post offices, by executing purchase contracts. MCGREGOR (R Ohio). House Public Works reported July 17. Passed House July 24, 1953. Senate Public Works reported March 19, 1954. Passed Senate amended 47-30, April 20.

HR 6896. Extend the time for filing war claims by prisoners of war. HINSHAW (R Calif.). House Interstate and Foreign Commerce

reported March 17. Passed House on consent calendar April 5. Senate Judiciary reported April 14. Passed Senate amended on call of calendar April 19.

HR 7512. Provide for conveyance of lands at Camp Blanding, Fla. BENNETT (D Fla.). House Armed Services reported Feb. 2. Passed House on consent calendar Feb. 16. Senate Armed Services reported April 6. Passed Senate amended on call of calendar April 19.

HR 8779. Make appropriations for the Department of Agriculture for fiscal 1955. ANDERSEN (R Minn.). House Appropriations reported April 12. House passed April 14.

#### COMMITTEE ACTION IN EITHER HOUSE

HR 116. Prohibit the transportation of fireworks into any state in which the sale of such fireworks is prohibited. CHURCH (R Ill.). House Judiciary reported June 22. Passed House July 20. Senate Judiciary reported July 30, 1953. Recommended to Senate Judiciary Feb. 8, 1954. Senate Judiciary reported April 14.

HR 8481. Third Supplemental Appropriation Bill for 1954. TABER (R N.Y.). House Appropriations reported March 19. Passed House March 25. Senate Appropriations reported April 20.

HR 8487. Provide for censuses of manufacturers, mineral industries and other businesses relating to the year 1954. GUBSER (R Calif.). House Post Office and Civil Service reported April 14.

HR 8571. Authorize the construction of naval vessels. SHORT (R Mo.). House Armed Services reported April 15.

## bills introduced (APPENDIX CONTINUED)

CQ's eight subject categories and their sub-divisions:

- |                              |                              |
|------------------------------|------------------------------|
| 1. AGRICULTURE               | 7. MISC. & ADMINISTRATIVE    |
| 2. APPROPRIATIONS            | Civil Service                |
| 3. EDUCATION & WELFARE       | Congress                     |
| Housing & Schools            | Constitution, Civil Rights   |
| Safety & Health              | Crimes, Courts, Prisons      |
| Social Security              | District of Columbia         |
| 4. FOREIGN POLICY            | Indian & Territorial Affairs |
| Administrative Policy        | Land and Land Transfers      |
| International Relations      | Post Office                  |
| Immigration & Naturalization | Presidential Policy          |
| 5. LABOR                     | 8. TAXES & ECONOMIC POLICY   |
| 6. MILITARY & VETERANS       | Business & Banking           |
| Defense Policy               | Commerce & Communications    |
| Veterans                     | Natural Resources            |
|                              | Public Works & Reclamation   |
|                              | Taxes & Tariffs              |

Within each category are Senate bills in alphabetical order of sponsor's name, followed by House bills in alphabetical order of sponsor's name. Bills are described as follows: Sponsor's name, bill number, date introduced, brief description of provisions and committee to which bill was assigned.

Bills sponsored by more than one Senator are listed under the first sponsor, with additional sponsors listed in alphabetical order. All such multiple sponsored bills are marked by an asterisk(\*). To check all bills introduced by a particular Senator, look for his name under each of the subject categories and subdivisions thereof, and check all bills marked with an asterisk.

In the House identical bills are sponsored by several Members but each bill has only one sponsor and one number. In such cases only the first bill introduced -- that with the lowest bill number -- is described in full. Bills introduced subsequently during the period and identical in nature are cited back to the earliest bill.

### 1. Agriculture

DOUGLAS (D Ill.) S 3308....4/14/54. Provide for the disposal of government-owned surplus agricultural commodities. Agriculture. WILEY (R Wis.) S 3307....4/14/54. Amend 12 U.S.C. 1020 to provide for payment by the Federal Farm Mortgage Corporation of the unpaid balance due on defaulted joint-stock land bank bonds declared to be instrumentalities of the government. Agriculture.

MARTIN (R Iowa) HR 8858....4/15/54. Encourage a stable, prosperous and free agriculture. Agriculture.

#### TALLY OF BILLS

The number of measures -- public and private -- introduced in the 83rd Congress from Jan. 3, 1953, through April 20.

	Senate	House
Bills	3,331	8,872
Joint Resolutions	148	504
Concurrent Resolutions	78	225
Simple Resolutions	233	513
TOTAL	3,790	10,114

### 2. Appropriations

BOLAND (D Mass.) HR 8826....4/14/54. Make an appropriation for the Connecticut River Basin flood-control program. Appropriations.

### 3. Education And Welfare

#### HOUSING AND SCHOOLS

\*CAPEHART (R Ind.), Bricker (R Ohio), Ives (R N.Y.), Bennett (R Utah), Bush (R Conn.), Beall (R Md.), Payne (R Maine), Goldwater (R Ariz.), Maybank (D S.C.), Fulbright (D Ark.), Robertson (D Va.), Sparkman (D Ala.), Frear (D Del.), Douglas (D Ill.), Lehman (D N.Y.) S Res 229....4/14/54. Authorize expenditures by the Banking and Currency Committee, or any duly authorized subcommittee, in the investigation of housing. Banking and Currency.

KEFAUVER (D Tenn.) S 3311....4/15/54. Amend the act making appropriations for the Departments of Labor and Health, Education and Welfare to insure equitable distribution of funds among the states. Labor.

SMATHERS (D Fla.) S 3300....4/14/54. Amend the National School Lunch Act to authorize assistance to public nurse training schools. Agriculture.

HOLT (R Calif.) HR 8867....4/15/54. Provide financial assistance for the construction of public elementary and secondary schools in the states and other parts of the U.S. Labor.

HOLT (R Calif.) HR 8868....4/15/54. Provide financial assistance to the states and territories in construction of public elementary and secondary school facilities. Labor.

## 4. Foreign Policy

### IMMIGRATION AND NATURALIZATION

\*IVES (R N.Y.), Hendrickson (R N.J.), Saltonstall (R Mass.) S 3292.....4/14/54. Amend the Immigration and Nationality Act re standards to ascertain whether aliens will become public charges or engage in subversive activities. Judiciary.

### INTERNATIONAL RELATIONS

DOUGLAS (D Ill.) S Con Res 77.....4/15/54. Express the sense of Congress disapproving the treatment of Cardinal Stepinac by the Yugoslavian government and requesting that the President of the U.S. ask that he be removed from house arrest by that government. Foreign Relations.

GILLETTE (D Iowa) S Res 232.....4/20/54. Urge the President of the U.S. to place the question of the Indo-Chinese war before the United Nations. Foreign Relations.

JACKSON (R Calif.) H Res 511.....4/14/54. Extend greetings to the representative bodies of the American Republics expressing the desire to continue efforts towards inter-American cooperation.

KEAN (R N.J.) HR 8860.....4/15/54. Extend the authority of the President to enter into trade agreements under section 350 of the Tariff Act of 1930, as amended. Ways and Means.

## 5. Labor

HOWELL (D N.J.) HR 8864.....4/15/54. Offset unemployment by providing for federal assistance to states in projects of construction, alteration and repair of public facilities and improvements. Public Works.

REED (R N.Y.) HR 8857.....4/15/54. Extend and improve the unemployment compensation program. Ways and Means.

## 6. Military And Veterans

### DEFENSE POLICY

McCARRAN (D Nev.) S 3305.....4/14/54. Authorize payment of war claims, including war claims arising out of Japanese confiscation of credits of U.S. military and naval forces and nationals in the Philippines. Judiciary.

O'NEILL (D Mass.) HR 8865.....4/15/54. Prohibit the assignment of maintenance duties to armed forces personnel on military equipment, bases or naval vessels within the continental limits of the U.S. Armed Services.

RAINS (D Ala.) HR 8835.....4/14/54. Amend the Settlement of War Claims Act of 1928 so that awards of the Mixed Claims Commission having a residual balance of \$15,000 or less will be paid in full immediately. Commerce.

SMITH (R Wis.) H J Res 500.....4/14/54. Require Congressional authorization for sending military forces abroad. Armed Services.

### VETERANS

FORD (R Mich.) HR 8829.....4/14/54. Authorize the concurrent payment of pension, compensation and retirement pay to eligible veterans of the Spanish-American War, Philippine Insurrection and the Boxer Rebellion. Veterans.

RADWAN (R N.Y.) HR 8822.....4/13/54. Increase the rate of pension payable to persons awarded the Medal of Honor and grant pensions to those awarded the Distinguished Service Cross or Navy Cross. Veterans.

ROBSON (R Ky.) HR 8836.....4/14/54. Provide for the award of the Good Conduct Medal to certain veterans of World War I. Armed Services.

TRIMBLE (D Ark.) HR 8823.....4/13/54. Credit members of the Reserve Officers' Training Corps during World War I with active military service. Armed Services.

## 7. Miscellaneous And Administrative

IVES (R N.Y.) S 3291.....4/14/54. Authorize the President to present a gold medal to Irving Berlin. Banking and Currency.

KEFAUVER (D Tenn.) S Res 230.....4/15/54. Authorize the President to proclaim September 1-7, 1954 as Back to Church Week. Judiciary.

MARTIN (R Pa.) S 3320.....4/19/54. Provide for the establishment of national cemeteries in Pennsylvania. Interior.

BOGGS (D La.) H J Res 498.....4/14/54. Preserve the archives establishing the U.S. history made by the men and women who emigrated to the U.S. House Administration.

DORN (R N.Y.) H J Res 502.....4/15/54. Similar to Rodino (D N.J.) H J Res 497.

HESS (R Ohio) H J Res 504.....4/15/54. Designate the month of June in each year as Ragweed Control Month. Judiciary.

RODINO (D N.J.) H J Res 497.....4/13/54. Amend the pledge of allegiance to the flag of the U.S. Judiciary.

### CIVIL SERVICE

BARRETT (D Pa.) HR 8824.....4/14/54. Extend the application of the Classification Act of 1949 to certain positions in the executive branch of the government. Civil Service.

BOLAND (D Mass.) HR 8825.....4/14/54. Amend the Civil Service Retirement Act of 1930 to provide that survivors' annuities shall not be less than the corresponding annuities payable under the Social Security Act. Civil Service.

HARDY (D Va.) HR 8863.....4/15/54. Amend the Civil Service Retirement Act of 1930 to provide for a uniform rate for the computation of all annuities. Civil Service.

PRICE (D Ill.) HR 8834.....4/14/54. Provide for payment of compensation to government employees improperly discharged, suspended, furloughed or reduced in compensation. Civil Service.

### CRIMES, COURTS AND PRISONS

McCARRAN (D Nev.) S 3304.....4/14/54. Confer jurisdiction upon the Court of Claims of the U.S. to give judgment on the claim of the Cuban-American Sugar Co. Judiciary.

\*MAGNUSON (D Wash.), Jackson (D Wash.), Morse (I Ore.) S 3314.....4/15/54. Provide for the creation of an 11th judicial circuit to be comprised of Alaska, Idaho, Montana, Oregon and Washington. Judiciary.

\*WILLIAMS (R Del.), Martin (R Pa.), Bush (R Conn.), Schoepel (R Kan.), Byrd (D Va.), Watkins (R Utah), Holland (D Fla.), Frear (D Del.), Carlson (R Kan.), Stennis (D Miss.), Kuchel (R Calif.), Dworshak (R Idaho) S 3310.....4/15/54. Extend from 3 to 5 years the time within which certain criminal prosecutions may be commenced. Judiciary.

SHELLEY (D Calif.) HR 8866.....4/15/54. Provide for the appointment of a district judge for the northern district of California. Judiciary.

### DISTRICT OF COLUMBIA

BEALL (R Md.) S 3297.....4/14/54. Protect trade-mark owners, producers and general public against injuries and uneconomic practices in the distribution of competitive commodities bearing a distinguishing trade-mark in the D.C. D. C.

CASE (R S.D.) S 3329.....4/20/54. Amend the District of Columbia Police and Firemen's Salary Act of 1953 to correct certain inequities. D. C.

### INDIAN AND TERRITORIAL AFFAIRS

BUTLER (R Neb.) S 3317.....4/19/54. Consolidate, revise and reenact the townsite laws applicable to Alaska. Interior.

CORDON (R Ore.) S 3318.....4/19/54. Provide for a continuance of civil government for the Trust Territory of the Pacific Islands. Interior.

MAGNUSON (D Wash.) S Con Res 76.....4/15/54. Give due notice to Indian tribes by Congressional committees who have before them legislation affecting Indian rights in order that their views and recommendations may be submitted to the committee. Rules.

BOW (R Ohio) H Res 512.....4/14/54. Create a committee to conduct a survey of the social and economic relationship of the U.S. and Puerto Rico. Rules.

MILLER (R Neb.) HR 8831.....4/14/54. Amend the act assisting in the internal development of the Virgin Islands to remove the financial limitations on public works projects allowing for their completion. Interior.

### LAND AND LAND TRANSFERS

BEALL (R Md.) S 3296.....4/14/54. Authorize the exchange of lands acquired by the U.S. for the Catocin recreational area, Frederick county, Md., to consolidate federal holdings therein. Interior.

HICKENLOOPER (R Iowa) S 3324.....4/19/54. Facilitate the establishment of self-government at the communities of Oak Ridge, Tenn. and Richland, Wash. and provide for disposal of federally owned properties at such communities. Atomic Energy.

McCARRAN (D Nev.) S 3302.....4/14/54. Grant to Las Vegas Valley Water District certain U.S. public lands in Nevada. Interior.  
McCARRAN (D Nev.) S 3303.....4/14/54. Grant to Basic Management, Inc., a private corporation, certain U.S. public lands in Nevada. Interior.

BELCHER (R Okla.) HR 8859.....4/15/54. Convey the reversionary interest of the U.S. in certain lands to the city of Pawnee, Okla. Interior.

COLE (R N.Y.) HR 8861.....4/15/54. Facilitate the establishment of self-government at the communities of Oak Ridge, Tenn. and Richland, Wash. and provide for disposal of federally owned properties at such communities. Atomic Energy.

HYDE (R Md.) HR 8821.....4/13/54. Authorize the exchange of lands acquired by the U.S. for the Catoclin recreational area, Frederick county, Md. to consolidate federal holdings therein. Interior.

#### POST OFFICE

DONOVAN (D N.Y.) HR 8828.....4/14/54. Grant promotion for longevity in the postal field service. Civil Service.

#### PRESIDENTIAL POLICY

ASPINALL (D Colo.) H J Res 501.....4/15/54. Similar to Byrne (D Pa.) H J Res 496.

BYRNE (D Pa.) H J Res 496.....4/13/54. Constitute the Federal Civil Defense Administration an executive department. Government Operations.

KING (D Calif.) H J Res 503.....4/15/54. Similar to Byrne (D Pa.) H J Res 496.

O'NEILL (D Mass.) H J Res 499.....4/14/54. Similar to Byrne (D Pa.) H J Res 496.

### 8. Taxes And Economic Policy

#### BUSINESS AND BANKING

OSMERS (R N.J.) HR 8832.....4/14/54. Terminate or limit those government activities which are in competition with private enterprise and establish the Anti-Government Competition Board. Government Operations.

ROOSEVELT (D N.Y.) HR 8837.....4/14/54. Establish a comprehensive program for maintaining economic prosperity. Ways and Means.

#### COMMERCE AND COMMUNICATIONS

LANGER (R N.Y.) S 3294.....4/14/54. Prohibit the transportation in interstate commerce of advertisements of alcoholic beverages. Commerce.

McCARRAN (D Nev.) S J Res 148.....4/14/54. Direct the Civil Aeronautics Board and the Federal Air Coordinating Committee of the Department of Commerce to investigate the Rome Convention limiting payments re accidents caused by overseas air commerce. Commerce.

KING (D Calif.) H Res 513.....4/15/54. Study the problem of maintaining private ship construction and repair yards in the U.S. Merchant Marine.

WILSON (R Calif.) HR 8840.....4/14/54. Provide a U.S. aviation ensign for display on aircraft and at airfields to serve as a symbol that the U.S. gave the world aircraft. Commerce.

#### NATURAL RESOURCES

BUTLER (R Neb.) S Res 233.....4/20/54. Extend the authority of the Committee on Interior and Insular Affairs to investigate and formulate a U.S. fuel policy until January 31, 1955. Interior.

HICKENLOOPER (R Iowa) S 3323.....4/19/54. Amend the Atomic Energy Act of 1946, as amended, to provide for the development of atomic energy in the interests of world peace, improve general welfare and increase the standard of living. Atomic Energy.

ASPINALL (D Colo.) HR 8820.....4/13/54. Amend U.S. mining and mineral-leasing laws to provide for multiple-mineral development of the same tracts of public lands. Interior.

COLE (R N.Y.) HR 8862.....4/15/54. Amend the Atomic Energy Act of 1946, as amended, to provide for the development of atomic energy in the interests of world peace, improve general welfare and increase the standard of living. Atomic Energy.

DAWSON (R Utah) HR 8827.....4/14/54. Similar to Aspinall (D Colo.) HR 8820.

STRINGFELLOW (R Utah) HR 8838.....4/14/54. Similar to Aspinall (D Colo.) HR 8820.

#### PUBLIC WORKS AND RECLAMATION

\*HENNING (D Mo.), Symington (D Mo.), Humphrey (D Minn.) S 3325.....4/19/54. Establish a Missouri Basin Commission and Compact Board providing for a unified direction of the development of the Basin's natural resources coordinated with federal and state governments. Public Works.

\*LONG (D La.), Ellender (D La.), Humphrey (D Minn.), Hill (D Ala.), Eastland (D Miss.), Cooper (R Ky.), Clements (D Ky.), Mansfield (D Mont.), Douglas (D Ill.), Johnston (D S.C.), Smathers (D Fla.), Hunt (D Wyo.), Kerr (D Okla.), Langer (R N.D.) S 3315.....4/15/54. Assist certain classes of municipalities to finance needed and specific public works by providing a guaranty by the U.S. of approved bonds issued by these municipalities. Public Works.  
MAGNUSON (D Wash.) S 3301.....4/14/54. Authorize the construction of a sewage treatment plant at Fort Lewis, Wash. Armed Services.

#### TAXES AND TARIFFS

CORDON (R Ore.) S 3299.....4/14/54. Permit the reimportation free of duty of cameras upon which duty has previously been paid. Finance.

SALTONSTALL (R Mass.) S 3312.....4/15/54. Amend the Tariff Act of 1930 to insure that crude silicon carbide will continue to be exempt from duty. Finance.

UPTON (R N.H.) S 3331.....4/20/54. Amend section 117 (j) (1) of the Internal Revenue Code to include, as property used in trade, poultry held for breeding purposes. Finance.

KERSTEN (R Wis.) HR 8830.....4/14/54. Amend the Internal Revenue Code to provide an additional deduction to employers entering into certain employment contracts. Ways and Means.

PATTERSON (R Conn.) HR 8833.....4/15/54. Continue until June 30, 1955 suspension of duties and import taxes on metal scrap. Ways and Means.

UTT (R Calif.) HR 8839.....4/14/54. Amend section 721 of the Internal Revenue Code re abnormalities in income during World War II excess profits tax period. Ways and Means.

### CORRECTION

Page 480, second paragraph -- Should read:  
"Sen. Hubert H. Humphrey (D Minn.);" not (R Minn.).





APRIL 23, 1954

Late developments of the week ending April 23, briefly reported on this page will be covered in appropriate sections of the April 30 Weekly Report.

**HOUSING PROBE** -- Warren Olney, III, Assistant Attorney General in the Justice Department's Criminal Division, read into the record of the Senate Banking and Currency Committee April 23 two cases which he said showed that builders had evidence their final costs would be far less than the cost estimate of the Federal Housing Administration. Olney said that the Justice Department had investigated these cases but could not prosecute for fraud "because we can't prove that the federal government was defrauded in the face of FHA's statements that they weren't deceived or defrauded, they were just giving the stuff away." (See page 517.)

**TAXES** -- Chairman Eugene D. Millikin (R Colo.) of the Senate Finance Committee said April 23 he did not believe his group would vote to cut income taxes by increasing personal exemptions. (See page 519.) During testimony on the House-approved bill to revise the nation's tax laws, John Madden, representing the U. S. Chamber of Commerce, asked that a five per cent cut in individual income taxes be voted, effective Jan. 1, 1955. Lloyd C. Halvorson, National Grange, said accelerated depreciation provisions of the bill would not help farmers because the provisions applied to future purchases only.

**ARMY-McCARTHY** -- Secretary of the Army Robert T. Stevens continued testifying before the Senate Internal Security Subcommittee probe of the Army-McCarthy controversy. (See pages 515-6.) Stevens said that McCarthy asked him to name Schine as Stevens' special assistant in charge of hunting Communists in the Army. Stevens denied he had tried to "forestall, curtail or halt" McCarthy's investigations of the Army. The Subcommittee decided unanimously to secure notes of telephone conversations involving principal figures in the controversy and make them public as evidence.

**JOB SELLING CHARGES** -- Attorney General Brownell said April 23 that two GOP officials in Minnesota had been charged with trying to sell federal jobs. He said criminal informations were filed charging Reuben Riker, Republican chairman of the township of Rome, and Leo A. Maland, precinct chairman for the village of Frost, with soliciting money in consideration of a promise to use influence to obtain post office jobs.





## congressional quiz

1. Q--Do Congressional committees meet in secret session very often?

A--More than 38 per cent of Congressional committee meetings from Jan. 6 through April 10, 1954 were in "executive" (secret) sessions, according to a Congressional Quarterly survey of meetings listed in the Congressional Record. The CQ analysis showed that 494 of the 1,287 meetings in the period were closed to the press and the public. Not included in the total were dozens of House Appropriations meetings, all of which were behind closed doors and not listed. In 1953, for the seven-month session, more than 34 per cent of 2,640 meetings (also excluding House Appropriations) were held in secret.

2. Q--How many states have a ban on the "union shop," under which an employee must join the union in order to hold his job?

A--Sixteen states ban the union shop under "right-to-work" laws and four others have restrictions on its operation, according to the CIO. The union shop is outlawed in Alabama, Arizona, Arkansas, Florida, Georgia, Iowa, Mississippi, Nebraska, Nevada, North Carolina, North Dakota, South Carolina, South Dakota, Tennessee, Texas and Virginia. In Colorado and Wisconsin, the union shop is permitted if two thirds of the workers ballot for it. In Kansas, a majority of the workers must ballot for it. In Maryland, the union shop may be negotiated, but cannot be enforced legally. The (Taft-Hartley) Labor-Management Relations Act of 1947 permits the union shop, except as the states may otherwise provide.

3. Q--How many House Members will be running for election to the Senate this year?

A--Through April 17, six Republican and four Democratic Representatives had announced plans to run for the Senate. They are Reps. Herbert B. Warburton (R Del.), Thomas E. Martin (R Iowa), Wesley A. D'Ewart (R Mont.), Carl T. Curtis (R Neb.), Norris Cotton (R N.H.), George H. Bender (R Ohio), Laurie C. Battle (D Ala.), Samuel W. Yorty (D Calif.), Charles R. Howell (D N.J.), and Pat Sutton (D Tenn.). Eight other House Members (three Republicans and five Democrats) have announced they plan to retire from the House. Reps. Thomas J. Dodd (D Conn.) and Franklin D. Roosevelt, Jr. (D N.Y.) are in the running for gubernatorial nominations, and could not seek re-election to the House if they received nominations for governor.

4. Q--Some say that President Eisenhower in 1952 ran ahead of most Republican candidates for the House and Senate. What are the facts?

A--President Eisenhower received more votes than former Gov. Adlai E. Stevenson (D) of Illinois in 297 of the nation's 435 Congressional Districts, and in 39 of the 48 states. Republican candidates for the House won in only 221 Congressional Districts, while GOP Senators won in 22 of the total of 35 Senate contests. Only three GOP Congressmen won in Districts the President failed to carry. They are Reps. Charles A. Wolverton (N. J.), John P. Saylor (Pa.) and Allan Oakley Hunter (Calif.). Only Sens. John J. Williams (Del.), Edward J. Thye (Minn.) and Ralph E. Flanders (Vt.), among Republicans, got more votes in their states than did Mr. Eisenhower.

5. Q--I notice that both houses of Congress sometimes agree to approve bills and do other things by "unanimous consent." Why?

A--To save time, many bills and resolutions are approved in this way. Many things can be done by "unanimous consent,"--that is, if no Member objects. Restrictions on action by unanimous consent are found in the Constitution and rules of the chamber. For example, rules forbid the presiding officer to entertain certain specific requests, such as one to permit the general public on the floor of Congress.

6. Q--What is a deficiency bill?

A--A deficiency bill is one that carries appropriations to supplement funds, already voted, that prove insufficient for operation of an agency or program. Regular appropriations are normally made in advance of the fiscal year they are supposed to cover, and are based on estimates. Frequently, intervening legislation or unforeseen emergencies add new functions and responsibilities to the agency concerned, and the amount of the regular appropriation proves insufficient for the year's work.

NOTE: CQ Weekly Report pages on which additional data may be found: (1) 482, (2) 481, (3) 464, (4) 463.



## the week in congress

(These stories are summarized from foregoing pages of the Weekly Report. For detail, check Contents on front cover.)

**ARMY-McCARTHY** -- The long-awaited Senate investigation of the row between the Army and Sen. Joseph R. McCarthy (R Wis.) finally got underway. Major Gen. Miles Reber, first witness, said that as the Army's liaison officer with Congress he recalled no case in which he was under greater pressure than that from McCarthy and his aide, Roy Cohn, to get a commission for G. David Schine. Secretary of the Army Robert T. Stevens said McCarthy's efforts on Schine's behalf were the most "persistent and tireless" he had experienced in his tenure of office.

**HOUSING PROBES** -- Two Congressional committees opened probes of alleged scandals in the Federal Housing Administration. Guy T. O. Hollyday told the Capehart Senate inquiry he had been fired as FHA Commissioner without knowing why, and that he had previously moved to eliminate abuses in the home repair program. Clyde L. Powell, Assistant FHA Commissioner in charge of rental housing, refused to testify, citing his "constitutional privileges not to be a witness" against himself.

**BUILDINGS** -- The Senate approved a bill enabling the government to construct and finally own buildings after making rent-like payments to private contractors for periods of from 10 to 25 years. It had amended the House-passed bill to require approval of the Senate and House Public Works Committees before any lease-purchase agreement could be signed.

**WIRE-TAPPING** -- Attorney General Herbert Brownell, Jr., objected to a provision in the House-passed wire tap bill requiring him to get the okay of a federal judge before making a tap. He told a Senate Subcommittee this proviso might interfere with the speed and secrecy needed to trap spies.

**POLITICS** -- Rep. Charles R. Howell (D) and former Rep. Clifford P. Case (R) were nominated without opposition for the Senate, all members of the House delegation seeking re-election were renominated, and former Rep. J. Parnell Thomas (R) failed in his comeback attempt in the New Jersey primary April 20...A scramble is developing in the Nebraska Senate race since the death of the late Sen. Dwight Griswold (R). Until November, the seat will be held by Mrs. Eva Bowring (R).

**INDO-CHINA** -- Vice President Nixon precipitated a deluge of Congressional and other comment with an "off the record" statement on Indo-China that was soon attributed to him. He said U.S. troops might

### STATUS OF MAJOR LEGISLATION

This chart traces through April 23, 1954, the advancement toward a final decision of these major legislative proposals:

Bills	Reported In House	Passed House	Reported In Senate	Passed Senate	Enacted
<b>Appropriations:</b>					
Treasury-Post Office	2/16/54	2/18/54			
State, Justice, Comm.	2/25/54	3/5/54			
Civil Functions	3/11/54	3/16/54			
Independent Offices	3/26/54	3/31/54			
Interior	4/1/54	4/6/54			
Agriculture	4/9/54	4/14/54			
Defense					
Labor-HEW					
D. C.					
Legislative, Judicial					
Mutual Security					
Hawaii Statehood	3/3/53	3/10/53	1/27/54	4/1/54	
Alaska Statehood	6/26/53		2/24/54	4/1/54	
Cong.-Jud. Salaries			5/12/53		
Witness Immunity			4/20/53	7/9/53	
Debt Limit Increase	7/31/53	7/31/53			
St. Lawrence Seaway	2/19/54		6/16/53	1/20/54	
Bricker Amendment			6/15/53	Rejected 2/26/54	
Korean Defense Pact			1/21/54	1/26/54	2/5/54
Excise Tax Reduction	3/4/54	3/10/54	3/19/54	3/25/54	3/31/54
Tax Revision	3/9/54	3/18/54			
Hospital Survey	3/3/54	3/9/54			
Highway Program	3/4/54	3/8/54	3/25/54	4/7/54	
Housing Program	3/28/54	4/2/54			
Wiretapping	4/1/54	4/8/54			
Labor Act Changes			4/15/54		

**HOW MAJOR BILLS FARED** -- The Senate held hearings on House-passed appropriations bills and started hearings on legislation to legalize wire tapping, passed by the House. A Senate-amended bill to admit Alaska and Hawaii as states was stalled in the House, which previously had approved statehood for Hawaii only. The House was in recess, for Easter, until April 26.

have to be sent to Indo-China if the French withdrew their troops. Secretary of State John Foster Dulles, after seeing the President, said it was "unlikely" American troops would be sent. Senate Majority Leader William F. Knowland (R Calif.) said "the matter would be brought to Congress" before any American combat forces were committed.

**WOOL SUPPORTS** -- Senate debate began on a bill providing a new support system for wool, amid efforts to add amendments dealing with supports on other commodities. These moves brought pleas not to make the bill a "battleground" for the entire farm program. One amendment proposed would continue high rigid supports on the six "basic" crops. It was hinted such an amendment might lead to a veto.